

The complaint

Mr C complains that Monzo Bank Limited won't refund an unsuccessful cash machine withdrawal that debited his account but didn't dispense all the cash he requested.

What happened

On 5 September 2021, Mr C attempted to withdraw £100 from a cash machine using his Monzo account card. Mr C says the cash machine only dispensed £70, not the £100 he had requested. Mr C checked his account and found it had been debited for £100.

Mr C reported this issue to Monzo. Whilst they investigated the case Monzo debited his account with £30. Monzo carried out a review of Mr C's complaint and advised Mr C it would be re-debiting the £30 as it hadn't found any issues with the transaction.

Mr C has provided the following details about what happened:

- He needed to withdraw a £100 as he needed £90 to pay a tradesman. The remaining £10 was to be used for general spending.
- Mr C says he went to a cash machine the next day to withdraw the extra money he needed to pay the tradesmen which wasn't dispensed the day before correctly.
- Mr C contacted Monzo on 7 September 2021 via their online chat to explain what had happened.

Monzo has explained the following when defending the complaint:

- The journal roll from the day hasn't highlighted any discrepancies and issues.
- Information from the cash machine shows Mr C entered his PIN number and requested £100.
- There is no evidence to show the full amount was not dispensed.
- Mr C should take up any concerns he has with the cash machine provider.

Our investigator reviewed the available evidence and thought Monzo should credit Mr C with £30. He explained Monzo had not provided enough evidence to demonstrate Mr C's cash had been dispensed correctly.

As Monzo did not agree with the investigator's, the case has been referred to me – an ombudsman – for a final decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I think Monzo should refund the amount of the withdrawal to Mr C. I'll explain why below.

Where there is a dispute over whether money was dispensed from a cash machine, there is certain documentary evidence we usually expect to see, such as the journal roll, purge bin report and balance history of the machine. I appreciate Monzo isn't the owner of the cash machine in question here. But the relevant regulations say it is still its responsibility to show the cash was dispensed correctly and not affected by a technical breakdown or some other deficiency with the machine. And so it is for Monzo to speak to the owner of the cash machine to get any relevant evidence.

To defend its position Monzo has sent us copies of the journal roll for Mr C's attempted withdrawal. The journal roll essentially shows Mr C's request for £100, and Monzo explains that as the balance for the cash machine has decreased by this amount this means the cash was correctly dispensed. However, I'm not satisfied this necessarily means there was no error or technical problem with the cash machine. As we haven't been sent a copy of the purge bin report, we can't see whether the cash went in there and wasn't dispensed properly as a result. We also haven't been able to review a balancing certificate for the machine.

Monzo has said that it has followed the necessary chargeback guidance provided by the owner of the cash machine and it is satisfied there was no error here. But I'm not satisfied by that reasoning. Based on the evidence I've seen, I don't think Monzo has done enough to show that the cash was dispensed correctly. Mr C has been consistent throughout his complaint in explaining what happened and has given plausible explanations of what the withdrawal was for and what he did as a result of not receiving the cash. I find him credible and see no other reason to doubt what he has said.

Based on the evidence I have in this case, I think it's more likely than not that the cash wasn't dispensed correctly. So, I think Monzo should refund the amount of the attempted withdrawal to Mr C.

I can see Mr C think he should receive additional compensation from Monzo. Mr C has had £50 compensation already from Monzo, and I think that is a fair amount.

Putting things right

Monzo Bank Ltd should refund the £30 withdrawal in dispute.

My final decision

I uphold this complaint and require Monzo Bank Ltd to put things right by doing what I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 3 August 2022.

Chandni Green
Ombudsman