

The complaint

Mr J has complained TSB Bank plc won't refund him £500 that he withdrew from a cash machine but never received.

What happened

In July 2021 Mr J went to the normal cash machine he used; to withdraw £200. The money was never dispensed from the cash machine despite Mr J waiting for around 20 minutes and trying to contact his granddaughter to assist him. He then drove to another cash machine. He couldn't take out any money as he was told he'd gone over his daily withdrawal limit.

TSB confirmed that £500 had been withdrawn at the first cash machine Mr J used. They queried what had happened with the cash machine owner and temporarily refunded the money to Mr J's account (two transactions of £250). They received evidence the cash machine had balanced. They believed this meant Mr J had received his money so re-debited Mr J.

Unhappy with this outcome, Mr J brought his complaint to the ombudsman service. Our investigator believed Mr J's testimony that he'd not received any money. TSB did not feel they were obliged to provide any further evidence as they believed they'd complied with cash machine owner rules. Our investigator asked TSB to refund Mr J in full as he believed no cash was dispensed. He also believed it was most likely Mr J had pressed the button '5' instead of '2' when he meant to withdraw £200.

TSB refused to refund Mr J. His complaint has been referred to an ombudsman for 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've reached the same outcome as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

So to help me decide what happened, I've looked at the evidence of the transactions, as well as what TSB and Mr J have told us. I've also noted the detailed view dated 27 May 2022 that our investigator wrote. I don't feel the need to rerun some of what was contained in there.

TSB has pointed our service to LINK operating rules and has confirmed they've followed these. I do not doubt that's the case. However TSB will be aware that our service is able to ask for additional evidence in cases where cash dispense at a machine has been disputed.

This can include, but is not limited to, what may have been collected in the purge bin and any CCTV evidence. In this case neither of these pieces of evidence were reviewed. I have taken this into account. I think it's more than likely this additional evidence may have provided exactly what was needed. I accept neither will now be available.

On the other hand Mr J's testimony has been powerful, consistent and convincing. TSB has confirmed Mr J has no history of similar disputes. Mr J has told us he remained at the cash machine for some time, as he was concerned it was broken, allowing no other customer to use it. The following transaction wasn't for another 20 minutes after Mr J's attempt to withdraw cash so backing up what he says.

I see no reason why Mr J would continue to stand around in this way if, in fact, cash was dispensed as requested. On balance I believe no cash was dispensed as requested.

I will be asking TSB to put things right.

Putting things right

I believe the evidence points to Mr J mistakenly entering a '5' when he meant to enter a '2' at the cash machine. These numbers are generally adjacent and it's a common mistake to make. Particularly in summer months when the sun may be making it difficult to see what is being shown on the cash machine screen.

This explains why £500 was requested from the cash machine, as opposed to the £200 that Mr J's statements show he regularly withdrew. TSB will need to refund £500 to Mr J along with 8% simple interest a year from the date they re-debited that amount to his account.

TSB has told us they did nothing wrong. They also told Mr J *"as the cash machine is not one that TSB own, we are unable to refund funds to a customer that have not been provided to them by TSB"*. I find this statement rather surprising and misleading. TSB will know Mr J is their customer and only they can refund him. TSB always has discretion in these issues, and I'm surprised they didn't exercise this in Mr J's case based on what he was telling them.

My final decision

For the reasons I've given, my final decision is to instruct TSB Bank plc to:

- Refund £500 to Mr J for money he didn't get at a cash machine; and
- Add 8% simple interest a year to that amount from the time Mr J was re-debited to the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 16 September 2022.

Sandra Quinn
Ombudsman