

## The complaint

Miss S has complained that PayrNet Limited won't refund an ATM withdrawal where she explained the cash did not dispense.

## What happened

This complaint regards a Pockit branded account.

In June 2021, Miss S tried to withdraw £220 from a cash machine. She explained that it made sounds like it was going to dispense the cash, but then didn't, and she never received the money. But her account was nonetheless debited for £220.

Miss S raised this a number of times with PayrNet, who eventually raised a chargeback in late October 2021, but didn't refund the transaction.

Miss S came to our service. Our adjudicator asked PayrNet for key evidence to show what happened during the attempted ATM withdrawal. But PayrNet didn't provide this. So our adjudicator proposed that PayrNet refund the disputed withdrawal.

PayrNet didn't agree. They felt that we should gather the evidence to defend PayrNet's side of the complaint instead. The complaint's been passed to me to decide.

I sent Miss S and PayrNet a provisional decision on 8 August 2022, to explain why I thought the complaint should be upheld. In that decision, I said:

*In order to hold Miss S liable for this withdrawal, it is only fair and reasonable that PayrNet should be able to show they were entitled to debit it from her account. This usually involves evidence such as the ATM's electronic records and balancing information, to show whether the withdrawal went through and dispensed properly.*

*PayrNet are able to ask the ATM's owner – a fellow financial business – for this information. This is very standard practice in ATM disputes like this one. But so far, PayrNet have not done so – despite the time they've had. Our normal timescale is to give both sides two weeks to provide information, and PayrNet have had over three months.*

*Our service is independent, so we don't represent either side and we normally expect each party to evidence their own side of the case. And PayrNet are perfectly capable of speaking to the ATM owner themselves. The onus is on PayrNet to gather this evidence. And I'm not sure what else they expect to happen if they decline to evidence their own side of the case.*

*Since PayrNet haven't provided the key evidence to show what happened during this attempted withdrawal, I cannot rule out that the cash machine experienced an error, or that it was tampered with using a device such as a cash trap, and so on.*

*Currently, the only evidence I have is Miss S's testimony, which is clear and credible about her cash not being dispensed. And I have no good reason to disbelieve her.*

*So based on what I've got so far, I find that PayrNet do not have a fair basis to hold Miss S liable for this attempted withdrawal. It follows that I think they should refund it, and add simple interest to compensate Miss S for the time she's been without her money.*

*Of course, I am willing to reconsider this if PayrNet provide all of the key evidence. But that will need to be done before the deadline of this provisional decision.*

*I also note that Miss S had to raise this with PayrNet a number of times, and frequently chase them for updates. PayrNet's communication looks to have been poor, and they took far too long to deal with this issue. In the meantime, I understand that Miss S fell behind on her essential bills, had to borrow money from family, and that it added significant stress onto her already severely stressful situation – which PayrNet were aware of. That needs to be put right, too.*

*When a business gets things wrong like that, we often tell them to pay compensation – to acknowledge their error and the impact it had. Looking at our guidelines for amounts of compensation, I think PayrNet should pay Miss S a further £150 for the non-financial losses it looks like they caused her.*

I said I'd consider anything else anyone wanted to give me – so long as I received it before 22 August 2022. But neither party sent me anything new to consider.

### **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.

Neither side have sent me any new evidence or arguments. So having reconsidered the case, I've come to the same conclusion as before, and for the same reasons as set out in my provisional decision above.

### **Putting things right**

I direct PayrNet Limited to:

- refund the £220 disputed withdrawal;
- pay simple interest to Miss S on this transaction, at the rate of 8% simple a year, payable from the date it was debited until the date it's returned<sup>†</sup>; and-
- pay Miss S an additional £150 compensation for the trouble and upset they caused.

<sup>†</sup> HM Revenue & Customs requires PayrNet to take off tax from this simple interest. PayrNet must give Miss S a certificate showing how much tax they've taken off if she asks for one.

**My final decision**

I uphold Miss S's complaint, and direct PayrNet Limited to put things right in the way I set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 20 September 2022.

Adam Charles  
**Ombudsman**