

The complaint

Miss F has complained that Santander UK Plc didn't credit the full amount of a cash deposit to her account.

What happened

In August 2022, Miss F deposited cash at an ATM at a Santander branch, which she explained totalled £1,640.

The machine experienced an error and did not log her deposit. The staff were unable to fix the machine and left it partially disassembled. It was then reconciled the following day.

Santander initially credited Miss F's account with £840 of cash they'd recovered. According to their records, Santander then found the remaining £800, and they told Miss F as such. But Santander then said this was a mistake and they'd *not* found the remaining £800. They said the staff member must have got this mixed up with the £840 already paid. Based on what they'd found, Santander felt Miss F had only deposited £840.

Our investigator looked into things independently and upheld the complaint. They found the internal documents were clear that the staff had found the remaining £800. They proposed that Santander refund the remaining £800 and pay £100 compensation for the distress and inconvenience they caused.

Santander didn't agree, so the complaint's been passed to me to decide.

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.

This is a finely balanced case. But like our investigator, I think the most reasonable outcome is for Miss F to be paid the funds that she said she lost.

The ATM's electronic logs show that Miss F attempted a deposit, though they don't show how much cash was in her envelope. They also show that the machine experienced a significant error which caused Miss F's deposit to get effectively mislaid.

Miss F reported this to Santander straight away, and she's been clear and consistent that she deposited £1,640. It doesn't seem especially likely that she'd forget how much she tried to deposit just moments after the attempt, nor that she would be untruthful when as far as she knew the staff could just open the machine and count the money in her envelope there and then. I've not found any good reason to disbelieve Miss F.

On the other hand, Santander's testimony has been confused and contradictory. They told Miss F they'd found the missing £800, but now claim they'd got mixed up with the £840 already paid.

I don't find this explanation to be especially likely or plausible. Santander's records say clearly that they located the *remaining* funds – i.e. the remaining £800. The initial £840 had already been found and credited to Miss F days earlier, so I don't think they were referencing that. The only funds *remaining* were the £800 in dispute – which was the whole basis of the complaint being looked into. Santander then left a message for Miss F clearly stating that the £800 would credit her account soon – *not* the £840 which already credited days before.

So Santander's records seem specific that they found the *remaining* £800 and were planning to credit this to Miss F's account, having already credited the initial £840.

It's technically possible that the staff member might have got mixed up in the way that Santander now suggests. But then it's also possible that there was a different mix up, instead. The ATM was handled at various times including dealing with the jam initially, the morning housekeeping, balancing, and the subsequent repair. It's possible that different portions of Miss F's money were found at different times and were not properly recorded; or that both £840 of her cash and £800 of her cash were found separately but were accidentally recorded as being the same due to the similar amounts. And those possibilities seem more in keeping with Santander's own internal notes and Miss F's consistent testimony.

It's also worth reiterating that this all stems from an error on Santander's end. Their machine was malfunctioning, Santander were unable to initially clear it, sort it, or fix it, and it was left disassembled with an engineer called out. The next day, it was noted that the ATM had been left open. So it seems there was a notable point of compromise for some of Miss F's cash to go missing after her attempted deposit.

Ultimately, while I appreciate Santander's point of view and accept that their investigation concluded only £840 was deposited, I am not satisfied that Santander logged the correct amount here. Given the evidence at hand and the balance of probabilities, I think it's more likely that they failed to properly process Miss F's full deposit.

It follows that I think the best thing is for the disputed amount to be credited to Miss F's account, and for Santander to compensate her for the time she was without her money and for the distress they caused her.

Putting things right

Santander UK Plc should:

- refund the remaining £800;
- pay simple interest to Miss F on this £800, at the rate of 8% simple a year, payable from the date of her attempted deposit until the date the £800 is now credited[†]. This is to compensate Miss F for the time she didn't have her money.
- pay Miss F £100 compensation for the trouble and upset caused.

† HM Revenue & Customs requires Santander to take off tax from this simple interest. Santander must give Miss F a certificate showing how much tax they've taken off if she asks for one. If Miss F does not normally pay tax, then she may be able to claim it back from HMRC.

My final decision

For the reasons I've explained, I uphold Miss F's complaint, and direct Santander UK Plc to put things right by doing what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F to accept or reject my decision before 21 February 2023.

Adam Charles
Ombudsman