

The complaint

Mr O complained that Santander UK plc debited his account with £1,800 for cash withdrawals. He says he only received £800. Mr O also complained about customer service from Santander.

What happened

On 17 December 2021, Mr O went to a Santander branch to withdraw cash.

There are different versions of what happened.

- Mr O's version is that he wanted to withdraw £1,000 in cash. He went to a till, put his card in the machine at the cashier's desk, and asked for £1,000 cash. Mr O said the cashier said she didn't have enough cash, but she would increase the limit of Mr O's card to £500, so he could take out two lots of £500 from the cash machine. While Mr O was standing there, another cashier came to the till and gave the cashier more money.

Mr O went to the cash machine as the cashier had told him to, and twice tried to withdraw £500. He tried again, and was able to get two lots of £400, making £800 in all.

- Santander's version is that Mr O asked for around £2,000. The branch was starting to run short of money due to the large number of withdrawals for Christmas, so it was advising customers to use the cash machine, increasing their withdrawal limits so they could do this. The cashier said she did a £500 withdrawal for Mr O, paying 25 x £20 notes. She increased the limit on his card and said he'd need to do several withdrawals as the machine wouldn't give him £1,500 in one transaction.

When Mr O received his January statement, he saw that it showed not only the £800 he said he'd received, but also two withdrawals for £500. He and his wife went back to the branch to sort it out. He said that the first person they spoke to, at the customer service welcome desk, said she didn't understand how it could be £1,800, because the maximum daily limit was £1,500. He was then passed to a cashier, who said she'd look at the cameras, and gave Mr O a phone number to ring, to report that he hadn't had money from the cash machine.

The branch cashier rang and left an answerphone message, saying that CCTV showed that the cashier had counted the money and had given it to Mr O. Mr O returned the call and the branch manager answered the call. Mr O said the manager said "Stop, I know all about your problem" and said it could be clearly seen that Mr O had had the money. Mr O said the manager then said he'd been looking at a different camera, but the cashier had counted out the money and had given it to Mr O who had put the money in his pocket. Mr O told the manager that this was untrue.

The manager made an appointment for Mr O and his wife to go into the branch on 21 January, where they were shown a video on a tablet. Again there's a conflict of evidence:

- Mr O said they could see him at the counter, and could see the cashier counting money but he hadn't received it. They could also see Mr O taking his card and going to the cash machine. Mr O also said that the manager had sharply said "I will put this in as a complaint" and said Mr O would receive a letter about the complaint, but he'd never had one.

Mr O also said that after leaving the branch, someone rang his phone, and asked if he was speaking to Mr O, then asked if he had a dispute with Santander. Mr O said yes, but the man just thanked him and rang off.

- Santander said that the video showed the cashier issuing the 25 x £20 notes, together with a receipt. It said that when shown the money handed over, Mr O had said '*Well I did not get it.*' The manager asked Mr O what he'd needed the cash for, because it was unusual to have such a large cash withdrawal request even near Christmas. The manager asked Mr O whether he could remember the spending, and Mr O had said he couldn't remember but had wanted the money '*for this and that.*'

Unfortunately Santander deleted the video evidence, so I can't view it.

On 4 February, Mr O received two letters from Santander. One said that Santander would credit his account with £500 until the cash machine was reviewed, and the other said that £500 would be withdrawn because Santander had looked into it and the £500 had been paid out.

Mr O contacted this service, and told us what had happened. He said that he and his wife had been left upset, anxious, stressed, and not sleeping at night. He said they felt let down by the Santander branch.

Our investigator obtained technical evidence from Santander, about the till and branch balancing on 17 December, and also technical evidence about the cash machine. Santander also sent testimony from three members of staff who reviewed the video footage.

From this technical evidence, the investigator saw evidence of three successful cash withdrawals at the cash machine: one for £500 and two for £400, and the records showed that the right notes were dispensed for these amounts. There was also technical evidence which showed there were no notes left in the machine after the withdrawals.

And the records also showed that Mr O had tried to make two more cash withdrawals from the machine, after the three successful ones. One was for £250 and another for £300. But these had been rejected because the increased limit for machine withdrawals was £1,500 per day. The three successful cash machine withdrawals, for £500, £400 and £400 totalled £1,300 which was why the requests for £250 or £300 would have taken it over the £1,500 limit.

So the investigator said that he thought it was more likely than not that Mr O had received a total of £1,800 cash.

Mr O replied saying he wasn't satisfied and as a loyal customer of Santander for almost 20 years, he'd never been treated so badly by a company which based itself on a motto of customer satisfaction.

Mr O said that his evidence had been that he'd initially tried to make two £500 withdrawals at the cash machine, but these had failed. He asked why the investigator had been able to see two subsequent failed withdrawals for £250 and £300, but not the two £500 failed withdrawals before the two £400 ones.

Mr O also said that he had major concerns about the counter transaction that was supposed to have happened when in fact it hadn't. He asked whether it should have been standard practice for any CCTV about a complaint to have been retained. Mr O said that would clearly have shown he hadn't received the money. And he said that the branch having increased the limit on his card withdrawal showed that he hadn't received any money from the counter.

Mr O said there were more unanswered questions than evidence, so he felt the balance of probabilities should conclude in his favour. He said it had caused him stress, torture and financial loss, which would have lasting effects on him.

The investigator said he was sorry to hear of Mr O's disappointment, and explained that he'd seen the audit trails which showed all the cash machine withdrawals, including any declined attempts. There hadn't been any evidence of failed £500 withdrawals. And while the investigator agreed CCTV would have shown what happened, Santander no longer had it so he hadn't been able to use it, and had had to focus on the other evidence. He said that the cashier's evidence had been that the reason why Mr O's limit had been increased was that he'd wanted around £2,000, which was more than the £500 the cashier had available.

Mr O's complaint was referred to me for an ombudsman's decision.

My provisional findings

I issued a provisional decision on this complaint. This was because I'd come to a different conclusion to the investigator. Issuing a provisional decision gave both sides the opportunity to comment on it, by the date set, before I issued a final decision

Before issuing the provisional decision, I considered all the available evidence and arguments to decide what would be fair and reasonable in the circumstances of this complaint.

In my provisional decision, I said that I was sorry to hear that Mr O had been so distressed by the incident. I could understand that it would have been upsetting, when Mr O felt sure about what had happened.

I said that it was disappointing not to have the CCTV, when both sides had viewed it but had said it showed different things. And I could understand why Mr O felt that Santander should have kept it when there was a known complaint. But CCTV often isn't available to us, because many organisations only retain it for 30 days before recording over it. And CCTV doesn't always show everything that we'd like. For example, both sides agree here that it showed Mr O at the till, and the cashier counting out some money. But it might be that the position of the camera didn't show, for example, Mr O's hand identifiably taking the cash – so it would still have been inconclusive. It often happens that this service doesn't have all the evidence we'd like. And when that happens, I take my decision on what I think is most likely to have happened, taking into account what evidence is available.

What I do have here is a significant amount of technical evidence.

The disputed withdrawals

For the disputed £500 transaction at the counter, I saw the evidence that the cashier's till balanced that day, and the electronic slip confirming the withdrawal.

For the disputed £500 cash machine withdrawal, I saw what's called the '*journal roll*' which shows all the transactions which Mr O attempted. There were no initial failed or rejected

£500 withdrawal requests. There was the disputed £500 withdrawal, which showed the cash successfully dispensed, at 15:45. Then there were the two undisputed £400 withdrawals at 15:51 and 15:53. Then there was a rejected £250 withdrawal at 15:54 and a rejected £300 withdrawal at 15:55.

As I've explained above, the reason why the £250 and £300 withdrawals were rejected was that the maximum daily limit for cash machine withdrawals on Mr O's card was £1,500. The dispensed £500, £400, and £400 withdrawals totalled £1,300. So a requested withdrawal for £250 or £350 would have taken the withdrawals over the daily £1,500 limit.

I also saw the technical evidence showing the cash machine balanced. Also, I saw evidence showing what's called the purge box, which is where any money not properly dispensed would have gone. The technical evidence didn't show me anything which indicated that the disputed £500 withdrawal money went into there.

I recognised that Mr O feels very strongly about his complaint. But in the light of the strong technical evidence, I had to conclude that it was more likely than not that the money Mr O received from Santander was £500 at the till, followed by £500, £400 and £400 at the cash machine, making a total of £1,800. This matches with what his statement shows. So I didn't uphold Mr O's complaint in relation to the withdrawals.

Santander's response to Mr O's complaint

Mr O said, and I accepted, that when he and his wife went back to the branch on 21 January, the manager told him that he'd receive a letter explaining things and how he could make contact with this service. He never received one.

I asked Santander for a copy of any letter, called a final response letter, which it might have sent to Mr O as its response to his complaint. Santander said that it understood it didn't have to send any such letter if it had been able to resolve a complaint within three working days of the complaint. But it accepted that the manager hadn't resolved the complaint, and had closed Mr O's complaint without issuing a letter. Santander agreed that the manager should have sent Mr O a letter. But it said that there hadn't been any impact on Mr O, because he had contacted this service, which the letter would have said.

There are rules, set by the regulator, the Financial Conduct Authority, about complaints. These are set out in a handbook and the relevant section starts at DISP 1.4, which is about investigating, assessing and resolving complaints.

The rule in DISP 1.5 does indeed say that if a complaint is resolved by the end of the third working day on which it has been received, the financial organisation doesn't have to issue a letter. But Mr O's complaint hadn't been resolved.

And DISP 1.6 says that on receipt of a complaint, a financial organisation must send the complainant a prompt written acknowledgement providing early reassurance that it has received the complaint and is dealing with it. It also says that by the end of eight weeks after receipt of the complaint, the financial organisation must send a Final Response, which either accepts or rejects the complaint. This must also include referral rights to this service. If this isn't possible, it should update the customer and explain why it isn't in a position to make a final response.

I accepted that it would have been clear to the manager that Mr O was far from satisfied – it appears to have been an acrimonious meeting. So the manager should have followed the rules and issued a letter to Mr O. He didn't do so and the complaint was closed instead.

It's not the role of this service to punish a financial business for something it's done wrong – that's the role of the regulator, the Financial Conduct Authority. But I can consider the impact on Mr O and whether Santander should pay him compensation for the distress and inconvenience which this caused him.

Final response letters need to contain referral information about this service. It's true that, as Santander argues, Mr O contacted this service about his complaint anyway. So he wasn't disadvantaged in not knowing about this service.

But it was clear from Mr O's complaint to this service that he wanted a reply to his complaint. It would have been understandably upsetting just to receive two letters simultaneously, one with the temporary credit and the other saying the temporary credit would be debited – but with no response to his actual complaint. Mr O said the whole matter had left him very upset, anxious, stressed and not sleeping, and that the Santander branch had let him down as a loyal customer. Some of this distress would naturally have been about the loss of the money. But I accepted that the lack of a response to his complaint, coming on top of the difficult meeting with the manager in the branch, would have added to this distress. So I said that subject to comments I received from both sides by the date for responses to my provisional decision, I intended to order Santander to pay Mr O £100 compensation for the distress and inconvenience caused by not providing him with a final response to his complaint.

Responses to my provisional decision

Santander accepted the provisional decision, and said it agreed to pay Mr O £100 compensation for not providing him with a final response to his complaint.

Mr O didn't agree. He said that he'd gone into the branch to withdraw £1,000, and if he'd received £500 at the counter, all he'd have needed was another £500 from the cash machine. He said he'd had two failed attempts to withdraw £500 at the cash machine, which was why he reduced the amount to £400 to see whether it would pay out the money, which it did for two transactions. Mr O said he hadn't tried to withdraw any other money, and he'd left the branch with £800.

Mr O also said that when he and his wife went to meet the branch manager and view the CCTV, the experience had been frightening to say the least so they'd contacted the police when they'd left the branch. Mr O said the police had told him that they couldn't do anything until there was an investigation within the bank, and if Mr O then wasn't satisfied he should go back to the police.

Mr O asked whether there had been a CCTV recording of his meeting with the branch manager. He also re-sent his original complaint.

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.

In particular, I've considered Mr O's response to the provisional decision. I can see that he's repeated his original evidence about what he said had happened. He's added that he and his wife went to the police after the meeting with the branch manager, but that's a matter between Mr O and the police, so I can't comment on that.

Mr O has now asked whether there was any CCTV of his meeting with the branch manager. I can't see that Mr O has asked Santander for this before. But even if CCTV had been recorded in an individual meeting room where no cash handling was involved, I think it's

most unlikely that it would still be available so long after the events. This is particularly so when Santander had deleted the CCTV at the actual till, after Mr O and his wife had viewed it. And CCTV, without sound, of three individuals in a meeting room would be most unlikely to help resolve the central issue of this case – which is how much was paid to Mr O at the till and at the cash machine. For that issue, I've relied on the technical evidence, and what Mr O and Santander have said.

So, having reconsidered all the evidence, I consider that my provisional decision was fair and reasonable in all the circumstances of this case.

My final decision

My final decision is that I uphold this complaint in part.

- I do not uphold Mr O's complaint that Santander should have refunded him for the withdrawals he disputed;
- I uphold Mr O's complaint about Santander not having issued a response to his complaint, and I order Santander to pay Mr O £100 compensation for the distress and inconvenience caused to him by this omission.

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

Belinda Knight
Ombudsman