

The complaint

Mr G complains that Nationwide Building Society won't refund him for a failed cash machine withdrawal.

What happened

On 3 January 2024, Mr G used his Nationwide debit card to withdraw £360 from a cash machine located in a supermarket.

Mr G says there were two cash machines and that he attempted to use both, but neither dispensed any cash. Mr G discovered the next day that one of the attempted transactions had been debited to his account. He reported the incident to Nationwide and it made a temporary £360 credit to his account while it investigated.

Nationwide later wrote to Mr G to say the records it had obtained from the bank which owned the cash machine didn't show any errors or cash discrepancies with the cash machine and it said it would be re-debiting the temporary credit. It did this on 29 January 2024 leaving Mr G's account overdrawn.

Mr G complained. But Nationwide didn't uphold the complaint. It said it couldn't do anything more to help unless Mr G provided evidence of an error message when he attempted to make the withdrawal or that the cash machine wasn't working.

Unhappy, Mr G referred the complaint to our service. He said, when it re-debited his account, Nationwide caused him with some financial problems and that he thought the cash machine records may have been tampered with.

One of our investigators looked into the complaint but she didn't uphold it. She said the evidence Nationwide had obtained showed successful transactions before and after Mr G's withdrawal, which suggested the machine was working properly. And the cash machine owner had confirmed that the machine had 'balanced', without any cash differences.

Mr G disagreed with the investigator's opinion. He said he was initially told that CCTV wouldn't be available but was later told to try and obtain it from the supermarket. But, by this time, it was too late as the supermarket only holds CCTV footage for 28 days. He also said the supermarket staff told him that the cash machine had previously had a fraud device fitted to it. He said he wanted Nationwide to prove he had received the money.

The investigator considered what Mr G had said but she didn't alter the outcome she had reached. She said she hadn't seen any evidence to suggest that a fraud device had been fitted to the cash machine at the time Mr G used it, and she reiterated that the cash machine records had shown that there wasn't any cash discrepancy when it balanced. She added that even if CCTV had been available, it was unlikely to show whether the cash had been dispensed or not.

As the matter hasn't been resolved it's been passed to me 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've reached the same overall conclusions as the investigator, and for much the same reasons. I'll explain why.

Where there is a dispute about what happened – as there is here, I must reach my decision on the balance of probabilities – in other words, on what I consider is most likely to have happened in light of the available evidence.

The cash machine in question in this case was owned by a bank not Nationwide. In these circumstances, Nationwide is required to obtain relevant information from the cash machine owner to demonstrate that the cash was dispensed. And I'm satisfied that Nationwide made appropriate enquiries with the bank which owned the cash machine.

I've looked at the evidence Nationwide obtained. The most important of which is an extract of an automated report showing Mr G's withdrawal and withdrawals made by other customers around the same time on 3 January 2024.

This shows Mr G's disputed transaction at 16:29. It also shows that the cash machine was used by other customers before (at 16:17) and after (16:35). This suggests to me that the cash machine was working at the time Mr G used it.

The extract also shows the running total of cash held in the machine before each transaction and the type of notes issued. I'm satisfied that the running total held in the machine reduced correctly in line with Mr G's transaction amount and the transaction amounts of the other customer's withdrawals which happened either side of Mr G's withdrawal. And, in Mr G's case, the records show the machine dispensed 16 x £20 notes and 4 x £10 notes.

Nationwide has also shown that the cash machine owner confirmed the cash machine was 'balanced' on 6 January 2024 and that there wasn't any discrepancies found at that time. Had the notes not been dispensed, I would expect the cash machine records to show a surplus of cash when it was reconciled but I'm not persuaded this was the case here. Overall, I think it's most likely that the cash was successfully dispensed.

I've also seen that Nationwide asked the cash machine owner about whether there were any reported errors with the cash machine or other claims raised by other customers who used the cash machine on 3 January 2024 – including anything relating to a third-party device being fitted to the machine. Had the cash machine been tampered with - such as a fraud device been fitted, or if there had been a mechanical fault then I would have expected other customers who used the cash machine to have also logged a complaint regarding that cash machine. But the cash machine owner has said there were no other complaints or reported faults. So, it seems unlikely the cash machine had been tampered with or had a mechanical fault.

Mr G has suggested the cash machine records may have been tampered with. But I haven't seen anything, apart from Mr G's suggestion, that the records have been tampered with. So, I have no reason to dispute the legitimacy of the records the cash machine owner has provided. And based on those records, I think it's more likely than not, that the cash machine dispensed the cash.

I've thought about what Mr G has said about the CCTV footage. But I find it unlikely that any supermarket CCTV footage would have shown the cash being dispensed (or not) while Mr G was standing in front of the machine. It's possible Mr G left the machine before the cash was

dispensed and the money was taken by a third party. And I accept that CCTV might have been able to show this. But even if this happened, then it would be treated no differently to any other theft or street robbery and Nationwide wouldn't be liable for the loss.

Overall, while I'm sorry to disappoint Mr G as I can see this has caused him some financial problems, I don't find it was unreasonable for Nationwide to refuse his request for a refund.

My final decision

For the reasons given above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 25 June 2024.

Sandra Greene
Ombudsman