

## **The complaint**

Miss R has complained Starling Bank Limited won't refund her for cash she didn't receive when making a cash machine withdrawal.

## **What happened**

Miss R used a cash machine at a local shop in January 2024. She initially requested a withdrawal of £380 which was unsuccessful so she tried to withdraw £250 instead. Cash was presented by the cash machine, but she was only able to grab £10 before the other £240 was retracted back into the machine.

Miss R immediately complained within the shop, then the cash machine provider and finally her bank, Starling.

Starling credited her account with the missing £240 and then started the procedure, in accordance with card scheme rules, to raise a query with the cash machine acquirer. After getting evidence that money was dispensed, they confirmed to Miss R that they'd be re-debiting £240 from her account.

Miss R brought her complaint to the ombudsman service.

Our investigator reviewed the evidence but noted there was nothing to establish when the cash machine was balanced or whether there'd been any overage or investigation of its purge bin (or equivalent). On the basis of this, he asked Starling to refund £240 to Miss R.

Starling disagreed with this outcome. They didn't believe this was required under the card scheme rules and hadn't asked for additional evidence. Miss R's 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.

When considering complaints about cash being withdrawn from cash machines, we ask for as much technical information as possible both to demonstrate the transaction itself, and then about the cash machine. When it was next balanced and whether it did or not or registered any overage. The latter evidence can demonstrate whether the cash machine took back cash for whatever reason.

I appreciate this is not required under the card scheme rules but these are set up to manage the relationship between acquirer and issuer and are not primarily concerned with what happened to the customer, which is what we're considering. We expect banks to provide as much information as possible in these circumstances.

For some banks I appreciate this is more difficult to obtain. However, in its absence I am

able to decide there is insufficient evidence to show Miss R received the money she requested from the cash machine.

It's certainly clear from Miss R's complaint that her testimony has remained consistent throughout. I see no reason why she'd complain about not receiving £240 of the £250 she requested if this hadn't happened. In the absence of all the information I'd like to review, I'm satisfied this is what most likely happened.

### **Putting things right**

As I don't believe Miss R received all the money her account was debited with when making a cash withdrawal, Starling will need to refund £240 to her. I'm also going to ask them to add 8% simple interest to that amount from 24 January 2024.

### **My final decision**

For the reasons given, my final decision is to instruct Starling Bank Limited to:

- Refund £240 to Miss R for this disputed cash withdrawal; and
- Add 8% simple interest from 24 January 2024 to the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 20 November 2024.

Sandra Quinn  
**Ombudsman**