

The complaint

Mrs B complains that Nationwide Building Society (NWide) didn't refund money in a disputed ATM withdrawal.

What happened

On 28 May 2024, Mrs B went to withdraw cash from an ATM machine at Sainsburys. With her NWide card, she asked for two amounts of £250 and then £100.

Her NWide account was debited with two sums of £250 and £100.

Mrs B complained to NWide – she said she only took £10 of the withdrawal of £250, and the machine took back the rest. She said she was £240 short. She went into the store and spoke to the manager.

NWide looked into Mrs B's claim and credited her account with a temporary credit for £240 on 29 May 2024. The bank said they checked things out with the ATM provider and there was evidence that £250 was dispensed, so they declined Mrs B's complaint. NWide re-debited her account with £240 on 10 June 2024.

NWide said that they'd look into matters further if Mrs B provided further evidence such as: a decline or void receipt; photographic evidence; a witness statement from a member of staff at the supermarket confirming she didn't receive the cash.

Mrs B brought her complaint to us. During our investigation, NWide said they'd made further inquiries with the ATM provider and that firm said they'd discovered some unused cash when balancing the machine. So, Mrs B was then refunded £240. This was credited to Mrs B's account on 28 October 2024. NWide also offered compensation of £50.

Mrs B declined this offer and said she wanted compensation of £500 – because of the stress caused; she said NWide should've sorted this out much earlier than they did. She had been without the money for over four months.

NWide agreed to increase the offer to £100 and add 8% per annum interest for the time Mrs B was out of pocket. But Mrs B remained unhappy with this and asked that an ombudsman look into her complaint. She maintained she wanted compensation of £500.

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.

I looked at the evidence that was provided to NWide when Mrs B raised her complaint – and I can see that it does show that £250 was dispensed and showed as 'cash taken' at 12.43pm on 28 May 2024. So – I can see why NWide reached a conclusion that Mrs B had received the money.

But – when NWide raised more questions with the ATM owner, it came to light that there was some cash still in the machine when it was later balanced. It is not clear why this wasn't discovered earlier – and NWide accept that they should've pushed the ATM owner for more information at an earlier stage than they did – and so have agreed to the compensation of £100.

Mrs B says this isn't enough – as NWide took a long time to sort things out and asked her unreasonable questions and evidence about what happened.

So, I thought about this. And on one hand, I can see why NWide reached their first conclusion based on the evidence they were given - and bearing in mind that the machine wasn't NWide's but a third-party machine. So – they had to rely on evidence given to them by the provider. On the other hand, NWide accept that they should've asked more questions at an earlier stage than they did.

I thought about the further evidence that NWide asked from Mrs B – but I consider NWide's requests were reasonable – given the initial evidence they'd received from the ATM owner. But I can also accept that Mrs B was without the money for four months and was caused some stress and inconvenience.

So, looking at the compensation of £100 agreed to by NWide – I think this is reasonable. Our service had set out some criteria for deciding awards. This says that an award between £100 and £300 might be fair in these circumstances – NWide made an error and it took a fair amount of effort on the part of Mrs B to sort it out. This did cause her some distress and inconvenience – but I consider the compensation of £100 is right in these circumstances.

Putting things right

NWide must pay compensation of £100; and pay 8% per annum interest on £240 for the period between 10 June 2024 (when Mrs B's account was debited) and when Mrs B was refunded the money – on 28 October 2024. The exact amount is for NWide to work out – but for Mrs B's guidance, this is about £7.

My final decision

I uphold this complaint. Nationwide Building Society must:

- Pay £100 compensation for distress and inconvenience.
- Pay interest at 8% per annum simple on £240 between 10 June 2024 and 28 October 2024.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 4 March 2025.

Martin Lord
Ombudsman