

The complaint

Mrs G has complained that Nationwide Building Society won't refund a withdrawal where she says the cash did not dispense.

What happened

In December 2023, Mrs G tried to withdraw £150 at a cash machine. She's explained that she cancelled the withdrawal due to the ATM's proposed charges. There was definitely no error message, she didn't see any cash come out, and there was a queue behind her. She'd intended to withdraw the money primarily to pay for a service, which she paid for by bank transfer instead. When making the transfer, she saw the withdrawal had debited her account and reported it to Nationwide that day.

Nationwide spoke to the ATM's owner and got evidence which suggested the withdrawal had gone through fine. They incorrectly referred Mrs G to the ATM's owner, which delayed things. Eventually, Mrs G came to our service.

Our Investigator looked into things independently and upheld the complaint. Nationwide didn't agree and provided more evidence. The complaint's been passed to me to decide.

I sent Mrs G and Nationwide a provisional decision on 19 December 2024, to explain why I thought the complaint should be partially upheld. In that decision, I said:

Nationwide have now managed to get more detailed electronic records from the ATM's owner, which show what happened with the machine. According to the ATM's records, Mrs G put in her card and PIN, and did initially cancel her first withdrawal attempt. She then put her card back in, entered her PIN, and asked to withdraw £150 without a receipt. Her card was presented, she took it, and then 17 seconds later the £150 was dispensed in exactly correct notes. The money was then taken, and was not retracted. According to the records, the machine did not experience any errors or shut down.

The multiple customers before and after Mrs G were also able to use the machine without any issues. The logs show no problems at the time, the bank who owns the ATM confirmed there were no technical errors on the machine that day, and Mrs G also confirmed that it did not malfunction and she saw no errors. So the cash machine does not appear to have had any problems at the time.

If the ATM had not actually dispensed the £150, then I'd expect it to have had £150 or more of extra cash in it afterwards. Similarly, if for example the money was presented but not taken, and was then retracted back into the machine, then the machine should've had at least £150 extra in it after. But when the cash machine was checked for balancing, the analyst confirmed that it only had a surplus of £100. So while there was some extra money (e.g. because someone didn't take their cash), it doesn't seem that it was Mrs G's – not least as the electronic records show that her money was presented and taken. So it seems most likely that her cash was dispensed properly.

To be clear, I do believe that Mrs G didn't receive the cash herself. Her testimony has been consistent and credible, and is supported by her actions, such as paying the service by bank transfer instead and reporting the matter without delay. I've found no good reason to disbelieve her.

However, given that the evidence now shows that the withdrawal did go through, I think it's most likely that something else happened. For example, as the cash took 17 seconds to be presented after Mrs G took her card, and as she recalled waiting for possibly as little as about 10 seconds, it seems likely the cash was presented after she walked away. And unfortunately, it may be that whoever was behind her in the queue was not honest enough to flag Mrs G down or hand the cash in. And I'm afraid that would not be Nationwide's responsibility.

So the evidence I have supports that, after cancelling her initial attempt, Mrs G did then ask for £150 and the cash machine gave it out without error. So I don't currently think I have a strong enough basis on which to tell Nationwide to refund the withdrawal.

Finally, I've listened to Mrs G's calls with Nationwide, and can see that she had to chase things up and they did indeed refer her to the ATM's owner. But it was for Nationwide to look into the matter, contact the ATM's owner, and evidence whether the cash withdrawal went through or not. Their error meant that Mrs G's time was wasted speaking to the ATM's owner fruitlessly, and the matter was substantially delayed. I understand this caused Mrs G some acute stress and inconvenience which went beyond the levels of frustration one might reasonably expect from day-to-day life, and the matter has taken much longer to be resolved than it should have. So taking into account the impact Nationwide's error had on Mrs G, alongside our guidelines for compensation, I agree with our Investigator that they should pay her £200 compensation to put that right.

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.

Both parties accepted the provisional decision, and neither side have sent me any new evidence or arguments. So having reconsidered the case, I've come to the same conclusion as before, and for the same reasons as set out in my provisional decision above.

Putting things right

I direct Nationwide Building Society to pay Mrs G £200 compensation for the trouble and upset they caused.

My final decision

I uphold Mrs G's complaint in part, and direct Nationwide Building Society to pay her £200 compensation.

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

Adam Charles
Ombudsman