

The complaint

Mrs S complains that NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY ("NatWest") failed to properly dispense funds which she's been held accountable for.

What happened

Mrs S explained that on 21 June 2024, she went to a branch of NatWest to withdraw £3,300. The cash was processed through a Teller Cash Recycler (TCR). Using this system means the cash wasn't counted by a member of the branch because the system is automated.

The cash was put into an envelope and given to Mrs S after she completed the necessary authorisation of the withdrawal.

Mrs S returned home and placed the envelope in her safe. The cash was to help with a building project for a close relative. The cash remained in the safe until Mrs S removed it on 25 October 2024 when Mrs S took £1000 from the envelope. It was at that point that Mrs S realised there was £1,000 missing. Mrs S said two bundles which were supposed to contain £1000 each only had £500 in them.

Mrs S returned to the branch to report that her earlier withdrawal was wrong, and she wanted NatWest to refund the missing £1,000.

NatWest reviewed the situation and advised Mrs S that given the length of time that's passed, the TCR machine no longer held the level of detail related to the withdrawal that had taken place some four months earlier. NatWest told Mrs S that there were no discrepancies in the cash handling that day, so they weren't going to refund the £1,000.

Mrs S complained, believing that NatWest had contradicted themselves and NatWest hadn't reviewed the matter properly. Mrs S said she felt she hadn't been treated fairly, and the issue had caused her a great deal of stress and anxiety.

NatWest wrote to Mrs S on a number of occasions, explaining their reasoning, although they didn't change their position in respect of the outcome. Mrs S remained unhappy and brought her complaint to the Financial Ombudsman Service for an independent review.

An investigator was assigned to look into the issue and both parties submitted evidence to support their cases. Mrs S explained that she didn't touch the cash until October, although she did open the safe within that period of time. Mrs S confirmed the envelope wasn't sealed or written on.

NatWest provided details of their "cash difference account" and other information about their investigation. The branch confirmed that the TCR couldn't be audited that far back (over 90 days), but the TCR was operating properly at the time. They had no reports of it malfunctioning and there were no relevant amounts of cash unaccounted for in the branch that day.

After reviewing the evidence, the investigator didn't think that NatWest had acted unfairly

towards Mrs S. It was commented that the TCR was reported as being accurate and together with other evidence, there was no indication the withdrawal was incorrect. The investigator commented that it's possible someone else could've accessed the safe in the time since it was taken from the branch. It was acknowledged that some confusion was experienced by Mrs S with NatWest's explanations of the events. This was clarified in later correspondence.

Mrs S disagreed with the investigator's recommendations, believing she hadn't been treated fairly or reasonably. Mrs S believes her concerns weren't adequately addressed, nor her position given due consideration.

Mrs S went on to comment that the lack of evidence from the TCR is unfair and was used solely to turn down her request for a refund. Mrs S said this put an unreasonable burden of proof on her.

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 now done so, I won't be upholding this complaint. I'll explain my thoughts and reasoning behind my decision.

I do acknowledge that the loss of the funds is no doubt concerning and led to the stress and anxiety experienced by Mrs S. My role here is to make a decision about the outcome of the complaint based on an impartial and objective review of the available evidence. Where the information I've got is incomplete, unclear or contradictory, as some of it is here I have to base 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.

I also acknowledge that Mrs S has been consistent in her explanations about the withdrawal. I'd also like to confirm I've given due consideration to both parties submissions here.

Turning to the TCR and its lack of records about the withdrawal. Given the report about the withdrawal was made some four months or so after the actual money was taken from the branch, I don't think NatWest's explanation that the machine no longer held the information was unreasonable. NatWest have said that as it's after 90 days, the TCR no longer had the information available. Ordinarily, I'd expect a claim about missing funds to be made earlier, although I recognise the specific circumstances here made that unlikely.

The TCR has been confirmed by the branch staff to have been working properly and there were no faults reported. That in itself is evidence that the TCR was likely operating properly at the time. If it miscounted the cash by such a degree, I'd expect other reports would have been produced, from the TCR itself and other branch reports because there would've been £1,000 unaccounted for. As there weren't any reports or cash unaccounted for, I think it's reasonable to conclude the TCR was operating properly, and the withdrawal was made successfully as the rest of the records suggest.

I understand Mrs S's point about the safe at home and the limited access she's told us about. But, there remains a considerable period of time between the withdrawal and the claim that provided an opportunity for those funds to have been removed. I'm not saying that's the case here, but when looking at the complaint objectively – I think it's more likely that the withdrawal was successful, rather than Mrs S left the branch with £1,000 less than she expected.

I also acknowledge Mrs S's point about putting an unreasonable burden of proof on her. When considering the evidence, I've taken the respective parties ability to provide information into account. I'd expect NatWest to have more robust systems to show what happened when compared against what Mrs S could produce. I don't expect the same level of evidence in such situations. But here the evidence doesn't support the notion that NatWest made an error. Whilst the TCR records are incomplete, the other evidence from the branch about the cash recorded and accounted for, plus the lack of evidence pointing towards the TCR malfunctioning, does support the outcome that the withdrawal was properly processed. I don't agree that the lack of records from the TCR has been the sole piece of evidence that's been used here to make the assessment.

I can only find against NatWest here if there's evidence to support such an outcome. If, for example, the TCR had reports of cash accounting difficulties or there were unexplained amounts of excess cash similar to the loss Mrs S reported, I'd be more inclined to uphold her complaint. But, as there aren't, I won't be upholding it. I think, on balance, that the withdrawal was successful and properly accounted for by NatWest. There's little evidence to show any problem at the time, or that NatWest treated Mrs S unfairly.

Finally, I understand that Mrs S thought NatWest had contradicted themselves regarding their explanations. Having looked at the situation, I don't think that's the case. They may well have slightly confused Mrs S at some point during the dispute, but I'm satisfied that the explanation about the lack of TCR records and the overall position that there wasn't a mistake are compatible.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 30 June 2025.

David Perry
Ombudsman