DRN-5794224

The complaint

Mr A complains that Santander UK Plc will not refund him for failed cash withdrawals despite the money being debited from his account.

What happened

On 25 May 2025, Mr A says he attempted to withdraw two amounts of £250 using an Automated Teller Machine ('ATM') but no money was dispensed.

He reported this to Santander, and it provided him with a temporary refund for the £500 whilst it investigated his dispute, which involved reaching out to the owner of the ATM to obtain information about the two withdrawals.

On 10 June 2025, Santander informed Mr A that it would be re-debiting the £500 from his account, as it said the ATM owner had confirmed there were no errors during the withdrawal requests.

Mr A raised a complaint. In response, Santander said:

- It was sorry for any distress caused.
- The ATM owner confirmed there were no errors during Mr A's withdrawal requests. This meant Mr A's claim wasn't successful.
- If Mr A was struggling financially, he should speak with its Financial Support Team.

Mr A then referred his complaint to this service where it was considered by one of our investigators. She didn't find that Santander had made any mistakes with the handling of Mr A's dispute, and was satisfied Santander wasn't responsible for Mr A's loss.

Mr A didn't agree with our investigator's findings. He wants Santander to refund the disputed £500 and pay him £1,000 compensation.

As no agreement could be reached, the complaint has been passed to me to decide.

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 broadly reached the same outcome as the investigator. And so, I don't require Santander to refund Mr A. I'll explain why.

There is clearly a difference between what Mr A has said happened and what Santander has evidenced. Where there is a dispute about what happened, and the evidence is incomplete or contradictory, I must reach my decision on the balance of probabilities – in other words, on what I consider is more likely than not to have happened in light of the available evidence.

In general terms, when a customer claims that a transaction has not been correctly executed, it is for the payment service provider (in this case Santander) to evidence that the transaction was successful and not affected by a technical breakdown or some other deficiency.

Here, Santander didn't own the ATM that Mr A used, and had to contact the company who did. It provided a temporary refund of the £500 to Mr A's account whilst it awaited evidence from the ATM owner in relation to the disputed withdrawals. I'm satisfied this was appropriate in the circumstances.

I've seen the technical information provided to Santander by the ATM owner. The evidence presented indicates that both withdrawals of £250 were successful. One withdrawal at 8.09am, and the other at 8.10am. The evidence also shows the different types of notes counted by the ATM. In both cases, this consisted of x10 £20 notes and x5 £10 notes. Mr A said there was a queue at the ATM, both in front and behind. But the technical evidence shows someone used the ATM five minutes before, and then 10 minutes after Mr A. So, it seems unlikely that there was a queue as he says there was. I also question why Mr A decided to use the same ATM for a second time, after he says the first attempt didn't dispense any money.

I've considered the possibility of the ATM somehow malfunctioning, which resulted in the requested notes not being presented to Mr A as expected. In such an event, I'd expect there to be some record of this happening. There are a number of different processes being carried out within the ATM and there would likely be some record of a problem if the withdrawals had failed. But this isn't the case here. Nor is there any other evidence indicating a problem with the ATM's operation.

I was sorry to hear that the disputed transactions have caused Mr A to fall into rent arrears. As well as impacting his mental health. I see our investigator provided Mr A details of organisations that may be able to offer him support during this difficult time. I realise this will be very disappointing for Mr A, but in view of everything I've considered for this complaint, I find it more likely that not that the ATM did dispense both amounts of £250 successfully. And therefore, it was reasonable for Santander to re-debit the £500 temporary refund. I don't require it to do anything differently here.

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 Mr A to accept or reject my decision before 2 October 2025.

Lorna Wall
Ombudsman