

The complaint

Mrs M complains that Santander UK Plc declined to refund her when her cash didn't dispense correctly from an ATM.

What happened

Mrs M has an account with Santander.

In April 2025, Mrs M withdrew £250 at an ATM. Mrs M then attempted to withdraw another £250 from the same ATM. She says when the machine produced the notes on the second withdrawal, she was only able to take £10 before the ATM retracted the rest of the cash back into the machine.

Mrs M complained to Santander. Santander raised the dispute with the ATM owner who said there had been no errors with the transaction. Unfortunately, Santander then discovered the dispute had been raised against the wrong withdrawal. After raising the dispute again, Santander explained the ATM owner said the ATM balanced (meaning there was no excess cash left in the machine) and therefore the claim had been unsuccessful. Santander paid Mrs M £50 in compensation for the delay to her complaint because of their initial error raising the dispute against the wrong withdrawal.

Mrs M remained unhappy with this outcome and referred her complaint to our service. One of our Investigators reviewed Mrs M's complaint and thought Santander hadn't acted fairly. They said this because:

- The journal roll (which shows a timeline of ATM events) from the day of Mrs M's withdrawal showed that four £10 and seven £20 notes had been retained or rejected. While this amount didn't align with Mrs M's missing £240, our Investigator thought this was an indication there may have been an error with the ATM.
- Despite requesting it, Santander had been unable to provide our service a copy of the balance information and had only passed on third-party information.
- The withdrawals were within Mrs M's usual pattern

Mrs M didn't respond to the Investigator's view. But Santander disagreed. They said Santander was not the data owner of the ATM information and they felt they had fulfilled their obligations under the relevant Chargeback Scheme and shouldn't be required to provide information they don't have access to.

As Santander disagreed, the complaint has been passed to me.

I reviewed the case file and thought Santander did need to provide the missing information. I let Santander know that while I appreciate they said the ATM provider told them the ATM balanced, I would need to see the evidence directly to verify it. I explained to them that without this information I would be upholding Mrs M's complaint and asking them to pay her £240 plus 8% interest for the time she was deprived of the funds.

Santander provided the missing information from the ATM provider, so I've considered this in my decision below.

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.

The relevant regulations say that where a consumer says that a payment has not been correctly executed, it is for the business to prove that the payment transaction was completed correctly.

For me to conclude that the money did fairly dispense, I need to see evidence that there were no errors with the machine and that the cash was dispensed and not retained in the ATM.

Santander has provided a journal roll that shows no indication of an error on Mrs M's specific transactions. It does, however, indicate that notes had been rejected and remained in the machine, potentially amounting to £180. Santander has now also provided evidence to our service directly from the ATM provider that shows the ATM didn't balance the day after the transaction and was £160 in surplus. While neither of these figures align exactly with the £240 that Mrs M says was retained, it does persuade me that there were potential errors with the machine. And shows that on occasions cash wasn't dispensed when it should have been. Santander have also let our service know that other customers have made successful claims against the surplus for that date. Again, this doesn't persuade me that Mrs M didn't face similar errors to other customers on the same day.

I've also considered what Mrs M's shared and her previous account activity. Having done so I don't find her attempt to withdraw £500 via two £250 transactions unusual. I can see that this fits in with her usual spending patterns, for example on the day prior to the disputed withdrawal Mrs M withdrew £1,000 via cash withdrawals.

Putting things right

In conclusion, I've seen evidence that the ATM didn't balance and the cash withdrawal wasn't out of character for Mrs M. It follows, I think it is more likely than not that Mrs M didn't receive the full £250 she attempted to withdraw. For this reason I think Mrs M has been deprived of her £240 and I'll be asking Santander to pay her £240 plus 8% interest.

My final decision

My final decision is I uphold this complaint.

I direct Santander UK Plc to:

- Pay Mrs M £240 plus 8% interest from the date of the withdrawal to the date of the repayment.

If Santander considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Mrs M how much it's taken off. It should also give Mrs M a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 29 April 2026.

Cheryl Dior
Ombudsman