

## **complaint**

Mr D complains that Bank of Scotland plc (trading as Halifax) didn't credit £280 paid into his account by his representative.

## **background**

Mr D's representative in this complaint went to pay in £300 in cash into his account at Halifax using a deposit machine on 6 September 2018. The machine accepted £280 of notes but a £20 note was rejected. The representative says she was asked to follow a member of staff and was shown that this £20 note was counterfeit. But she thought that the other money had been credited to the account. Halifax said it had no record of this deposit and wouldn't refund the money.

Our investigator didn't recommend that the complaint be upheld. He said that he'd seen the description by Halifax staff of what happened in the branch. A first deposit machine hadn't accepted the cash. The representative was directed to use a different one. That rejected the £20 note. A member of staff says she told the representative to wait at the machine while she dealt with the £20 rejected note. But she then saw that the representative was next to her and the representative confirmed that the other money had been paid in. The journal roll showed no deposit to Mr D's account or surplus funds. The machine had no discrepancies for that day at close of business when it was checked. The representative had no receipt for the deposit and it was her decision to leave the machine without ensuring the payment was made. He thought it most likely someone else had taken the money. And even if there had been CCTV that showed someone else taking the money that wouldn't mean Halifax was liable for the loss.

Mr D through his representative didn't agree. She said that everything hinged on the CCTV footage and she wanted a statement from the branch manager explaining why this important evidence had been deleted during an ongoing investigation. Given this isn't available she should be given the benefit of the doubt as she insisted she'd been truthful and this was a significant amount of money for her. The representative showed she'd made two payments to Mr D later that day of £175 and £135 (including she said a £5 fee) as he'd told her that the money hadn't been received.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I know that our investigator has said to the representative that he wouldn't be asking for a further statement because he didn't see that the money had been paid in. The CCTV wasn't retained beyond 30 days and I don't think it would have necessarily resolved the issue even if there was a clear view of this machine as I'll explain.

As the representative has said there are many similarities between her version of events and that from staff. That's including her attempt to pay the cash into the machine. And that one of the notes was rejected.

I've looked carefully at the journal rolls and audits for the machines that were used. I can see that an attempt to pay money into Mr D's account using a first deposit machine failed. And that this machine was then opened and it is agreed that all the notes were returned to the

representative. The second machine was used with Mr D's account details shortly after (starting at 15:43:16 hours: minutes: seconds) to attempt to deposit the cash to Mr D's account. I've seen there were a number of error messages generated about not all the notes being valid. More than one attempt was made to deposit all the notes.

Halifax had confirmed that if there is a note rejected as here there will be an option either to 'continue' with the notes already inserted or to try and insert a rejected note again. If continue is selected the machine will show the amount counted and give the option to confirm the transaction or return the items counted. The audit for this machine shows that the notes were returned at 15:47:27. The machine wasn't used by another customer for nearly 30 seconds and that person was able to deposit a cheque successfully.

There is a dispute over whether the member of staff told the representative to wait at the machine or follow her to the counter. I can't see why that member of staff would tell the representative to come to the counter in the middle of a transaction. Her account is that she was checking the note and it was found to be counterfeit. I also wouldn't have expected the representative to have gone to the counter unless she had the money back or thought it had been credited. She didn't receive any receipt or confirmation and there is no record of the money being deposited to that machine or of any cash imbalances to account for it.

Having considered all the available evidence I'm satisfied on balance that the notes were returned by the machine. That means that either the representative took them or an unknown third party took them. But I'm afraid that if the representative left the machine without the money and it was available to someone else that was also her responsibility and not due to any error by Halifax in my judgement.

Given my findings I don't have a basis to require Halifax to do anything further.

### **my final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 30 January 2020.

Michael Crewe  
**ombudsman**