

complaint

Mr M complains that when he deposited money in a machine with TSB Bank plc £400 got stuck and the bank hasn't credited this into his account.

background

On Friday 27 April 2018, Mr M went into a TSB branch to pay money into his account. He deposited £170 into one of their immediate deposit machines (IDM) and got a receipt for this. He then tried to make another deposit but says £400 got stuck in the machine.

Mr M says the branch was busy so he went out to the cash machine to check his account balance and see whether the £400 had been credited to his account. It hadn't, so he reported it to staff in branch. He then gave the remainder of the money he had with him to a cashier to pay into his account.

Mr M went back to the branch the next day but says they hadn't found his money. He says he was told an engineer would come out on 30 April 2018 to look at the machine he used on the 27 April 2018. But because he didn't hear anything further about this he complained to TSB.

TSB said that they checked the machine Mr M used and found that it balanced, so they don't think his missing £400 was in the machine. They said Mr M had dropped some of his money on the floor when he was in the branch, and therefore they don't believe he paid it in. TSB have declined to reimburse Mr M.

Our adjudicator didn't think TSB provided sufficient evidence to suggest that Mr M's version of events wasn't correct. And on balance they thought Mr M had lost the money in the way he describes. So they upheld his complaint and asked TSB to credit his account with the £400, and pay him an additional £100 for the inconvenience caused, as Mr M told us he had to borrow money from friends as a result.

TSB disagreed with the adjudicator's view. So the case has come to me for a decision.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Where evidence is incomplete or not available, I'm required to make my decision on balance i.e. what I think is most likely to have happened given what's been said and provided in the circumstances of the complaint.

I know TSB will be disappointed, but I have reached the same conclusions as our adjudicator. I don't think TSB have provided sufficient evidence to suggest the money wasn't deposited. And I have no reason to doubt Mr M's explanation of what happened when he tried to use their IDM. So on balance I think it's feasible he lost the money as he describes. I'll explain why.

Mr M has described what he says happened when he tried to deposit money into his TSB account on 27 April 2018. He told us that he successfully deposited £170 into an IDM, but it took a long time, so he tried to put more notes into the machine the next time. He said the machine jammed, and then told him to take his money back out. He managed to pull some of the notes out, but the IDM then crashed and swallowed £400 of his money. I can see from his bank statements that Mr M deposited a further £1,430 into his account the same day. These three amounts total £2,000, which is the amount Mr M told us he went to pay in. Our adjudicator spoke to Mr M several times and he has given us a consistent account of how he lost the money.

Mr M reported his missing money to the bank. He says that the branch was very busy at the time, so he first went outside to use a cash machine to check his balance and see if the £400 had credited to his account. I think this was reasonable in the circumstances. When he saw it hadn't been, Mr M reported it to a member of staff. TSB have confirmed this. And I understand one of their cashiers deposited the rest of Mr M's money into his account for him. So I'm satisfied Mr M notified TSB of the problem in good time.

TSB doesn't think there were any problems with the IDM when Mr M used it. But they've told us that an engineer came out to branch the day before the incident to look at it. They haven't told us what the problem was, but have said there were some issues caused by a migration to a new computer system that took place on 22 April 2018. Mr M says he was told by the branch when he reported the loss of his money that they would ask an engineer to check the machine on the next working day. But TSB told us that the next engineer's visit wasn't until July 2018. Given that the IDM wasn't looked at after the problem, and there had been issues with the machine that week, I think it was possible the machine could have made an error or malfunctioned in the way that Mr M describes.

TSB told us the machine balanced correctly at the end of the day Mr M made his deposit. They've provided us with a copy of their manual daily cash control sheet but this was completed on Monday 30 April 2018. And I gather the branch was open on Saturday 28 April 2018 as Mr M went back in to enquire about his money. This control sheet refers to a total of £13,455 cash. But the branch said a total of £12,550 was taken by the machine on 27 April 2018. So there doesn't appear to be a record for the individual machine. Unfortunately, a list of individual transactions isn't produced by the machine since the migration on 22 April 2018.

TSB have also said that there were no instances of cash differences in the machine in the whole of April, but again I haven't seen any evidence to support this statement. They've also told us that the IDM had 11 errors between 4 June 2018 and 26 September 2018 totalling £560. So I understand it does go wrong on occasion.

I appreciate TSB feel that their cash control sheet and the fact they've told us there weren't any cash imbalances support their belief that Mr M's money was not deposited into their IDM. But I've explained why the evidence they've provided means I don't feel I can be sure of this. TSB told us that they had CCTV footage which showed Mr M dropping money on the floor in branch. This footage isn't available for us to view now. But I can see that when they were investigating Mr M's complaint TSB said in an email that they could see on the footage that Mr M picked up all the money that he dropped. Mr M tells us the money was mostly in £10 notes. I think £400 would be a noticeable amount of money to leave on the floor, or for someone else to have picked up without being seen on the CCTV footage. So I think it is likely, on balance, that Mr M did pick up all the money he dropped and that this does not account for the missing £400.

TSB have also pointed out Mr M left the machine unattended when he went outside to check the cashpoint. But Mr M told us the machine had swallowed his money at this point, so I think it's unlikely a third party could have taken it. TSB haven't commented on what the CCTV footage showed after Mr M had picked up the money he dropped. But I think it is likely it would have captured anything suspicious. And it hasn't been suggested that anyone took Mr M's money from the machine after he left it.

Given this, and the fact TSB have not been able support the statements they've made about the IDM's condition and the cash control checks made, I think that, on balance, it is likely Mr M did deposit the £400 as he says. Therefore, I think our adjudicator's recommendation, that TSB should reimburse Mr M his £400, and pay an additional £100 compensation is fair. Given the amount of money involved I'm satisfied that the compensation awarded is also sufficient to cover any lost interest whilst Mr M has been deprived of the funds.

my final decision

My final decision is that I uphold this complaint against TSB Bank plc. I require them to pay Mr M £400 and an additional £100 compensation for the trouble and upset caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 1 March 2019.

Jenette Lynch
ombudsman