

The complaint

Mrs L complains that Santander UK Plc ("Santander") failed to properly account for a cash deposit she made at a local branch.

What happened

Mrs L says she visited a Santander branch and attempted to deposit £600 in cash into an automated teller machine (ATM) inside the branch. She describes having difficulty with the ATM and was assisted by a branch employee.

Mrs L has said the ATM took her money, but the transaction was interrupted by a problem with the ATM. It was opened by the employee but nothing obvious was found to explain the missing funds.

The matter was reported to Santander's back-office team who carried out further checks and all the ATMs in the branch were checked to determine the situation. The ATMs all had the expected funds in them, apart from the one that Mrs L used which had £10 more than it should have done.

Mrs L's account wasn't credited with the deposit, and she complained to Santander about the situation. Her issue was again investigated and nothing further was found to explain the missing funds. Santander declined to credit the £600 to Mrs L's account.

She was left unhappy with how her situation had been handled and brought her complaint to the Financial Ombudsman Service for an independent review. An investigator was assigned to look into the complaint and both parties were asked for information about the issue.

Mrs L said that she'd saved the £600 from a job and maintained that she'd taken it into the branch which had been paid into the ATM. She believed that Santander had lost her funds and they should credit her account accordingly.

Santander provided details of the ATMs internal operations (an audit report) which showed that the ATM used by Mrs L had experienced several malfunctions whilst she was using it but hadn't recorded the deposit of the £600. The ATM recorded that two notes had been deposited (totalling £30), but these had then been retracted (taken back) from the ATM due to an error. The ATM also had an internal storage compartment that collected notes that hadn't been properly processed (which is where unaccounted for and damaged notes would be stored) and the £600 wasn't found either in this compartment or anywhere else inside the machine.

The audit information concluded that the ATM had £10 excess when compared to the transactions carried out with it which has been offered back to Mrs L. The ATM also had the expected number of notes present in it based on those successful transactions.

Based on the evidence, the investigator didn't uphold Mrs L's complaint because there was no evidence to show that the funds were deposited into the machine.

Mrs L disagreed with the outcome and explained that she had the money in her hands and was assisted by two branch employees at the time. She continued to argue that she'd lost money and that Santander were responsible, specifically that one of the employees must have been responsible for the loss.

As no agreement could be reached, the complaint has now been passed to me for a decision.

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.

There's a clear difference between the parties in this complaint. Mrs L believes she lost £600 when trying to deposit it into an ATM, she later said that an employee was responsible for her loss. Santander argue that there's no evidence to show those funds were paid into the ATM or lost in the branch.

Where there is a dispute about what happened, as there is here, 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 most likely to have happened in light of the available evidence.

Santander asked the branch for comment about what happened on the day Mrs L was making her deposit. They've said that at the time, their employee raised a dispute on behalf of Mrs L and all the ATMs were counted the following morning where they all balanced correctly. Further enquiries were made with another Santander team who were able to access the audit data which also showed there was no record of the £600 being deposited into the ATM.

Having examined the audit information, it does show the ATM recording errors during the time that Mrs L was depositing funds, but only shows two notes being put into the ATM that were then retracted. There's clearly a problem with the machine at that point, but nothing recorded about a large number of notes being found anywhere in the machine. A mini statement was produced at the time showing recent transactions, but this didn't include any cash deposit into her account.

If £600 had been deposited, I'd expect to see some form of mention in the audit record, either to show they were deposited, but not recorded against Mrs L's account. It stands to reason in this scenario that the cash would have to be inside the ATM, either in the reject bin, or simply stuck somewhere inside the ATM. Nothing was found and there were no audit messages that could explain how those funds were handled.

I've also seen audit data for cash deposits into the machine by other customers both before and after Mrs L's difficulties. Those were both successful and the audit data looks quite different to that which was recorded during Mrs L's use of the ATM. Mini statements recording the successful deposits were also produced – unlike that which accompanied Mrs L's attempt to deposit funds.

Overall, I'm afraid I'm going to have to disappoint Mrs L, because there's no evidence to show that £600 was deposited into the ATM. Whilst I appreciate Mrs L's strong belief that she lost her funds at the branch that day, I'm unable to support her complaint based on an objective review of the available evidence. If Mrs L believes that someone was personally responsible for taking her money, then she's able to report that to the appropriate authorities.

Santander's offer to return £10 to Mrs L, being the excess found in the ATM was, I think, both a fair and reasonable way for them to deal with the situation.

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 L to accept or reject my decision before 30 January 2024.

David Perry
Ombudsman