

The complaint

Mr H complains that Lloyds Bank PLC didn't credit the correct amount into his account following a cash deposit he made in branch.

What happened

In June 2022, Mr H visited a Lloyds branch to make a cash deposit into his account. He says he handed the member of branch staff three envelopes containing a total of £7,750, and that the money had been gifts from his wedding. The member of staff went to a separate room to count the cash but, when they returned, they told Mr H that the envelopes had only contained £5,640.

The member of staff suggested Mr H could have left some of the cash at home, so he agreed to go and check. But, after checking, Mr H was sure he had handed over the full £7,750 and so asked Lloyds to pay him the difference it said was missing.

Lloyds investigated but said it didn't agree it had made an error. It said the till the cash was paid in to didn't have the missing funds in it and the room the cash was counted in was checked but no missing cash or envelopes were found. So it didn't agree to pay Mr H the missing amount. Mr H wasn't satisfied with Lloyds' response, so referred a complaint to our service.

One of our investigators looked at the complaint. They thought Lloyds had carried out reasonable checks but no error had been found. And they didn't think there was enough evidence to say a member of staff had taken the funds. So they didn't think Lloyds should have to pay the missing amount to Mr H. Mr H disagreed with our investigator, so the complaint has been passed to me.

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 don't think it would be fair to require Lloyds to refund the missing amount to Mr H. I'll explain why below.

Mr H says the money he was depositing had been gifts from his wedding, and that it was counted a number of times by both him and his family before he took it to the Lloyds branch. But while this is a completely plausible explanation for where the money came from and I don't doubt what Mr H says, it also means it is not possible to independently confirm how much money there was – for example, by checking bank statements or cash machine records.

Both Mr H and Lloyds accept the money Mr H deposited was taken to a back room and counted there, rather than being counted at the counter in front of Mr H. And Mr H feels this was incorrect. But I've seen a copy of Lloyds' branch processes for accepting deposits, and this doesn't mention that cash deposits should be counted in front of the customer. So I can't

say Lloyds has acted incorrectly or failed to follow the correct process in counting the money in a back room.

The member of staff who counted the deposit has also provided a statement about what happened when Mr H deposited the money and how they counted it. In the statement, the member of staff says they separated and organised the money before running it through a counting machine. They also say they counted the money a second time after the total didn't match what Mr H had originally told them. And the statement is very clear and detailed, and so I find it persuasive.

Lloyds has also sent us copies of the balance sheets for the branch Mr S made the deposit in, covering the day he made the deposit. These show a small discrepancy in the balances, which matches what the member of staff said in their statement. And while a discrepancy in the balances does suggest some error by Lloyds over that time, the amount of the discrepancy is much smaller than the amount Mr H says is missing from his deposit. So I don't think the balance sheets suggest an error was made with Mr H's deposit. Instead, I think they suggest his deposit was counted correctly and some other smaller error was made elsewhere in the branch over that time.

As well as providing the balance sheets, Lloyds has said the back room where the deposit was counted, and the confidential waste, were checked for any extra money – but none was found. So I'm satisfied Lloyds investigated this as I would expect it to do.

Mr S has suggested a member of staff could have stolen the missing money. But I haven't seen any additional evidence to support this. Lloyds has said there are no records of any other similar incidents at this branch. And a member of staff trying to steal a customer's money would know they were risking their job by doing so. So I don't think it's likely a member of staff stole the missing money.

Mr S has also suggested that the errors Lloyds has accepted it made, such as the discrepancy in the branch balance sheets and the member of staff initially missing some of the money in one of the envelopes, means it should be held responsible for the money he says is missing. But I don't agree it would be fair to hold Lloyds responsible just because some other errors on its part have been identified. I still think the evidence we have suggests there weren't any errors relating to the amount now missing.

It's not possible to know for certain what happened here. I appreciate how strongly Mr H feels about this case and I'm not suggesting at all that either he or his family acted incorrectly. But where the evidence available is unclear or inconclusive, I must make my decision on what I think is likely to have happened, based on the evidence I do have. And, based on what I've seen, I think it's most likely there was some confusion or misunderstanding about the amount Mr H thought he was depositing, and that he actually brought less than he thought to the branch.

I don't think the evidence I've seen suggests there was any error by Lloyds which led to the amount Mr H says is now missing. So I don't think it would be fair and reasonable to require it to refund the missing amount.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 22 November 2023.

Alan Millward
Ombudsman