

The complaint

Mrs N complains TSB Bank plc won't refund her for an ATM withdrawal she says didn't dispense. She's also unhappy £500 was removed from her account by the business. She would like the money refunded and compensation.

What happened

The facts which led to Mrs N bringing her complaint to our service are well known to both parties, so I am not repeating them in full here. But in summary Mrs N went to an ATM owned by a bank I will refer to as Bank B to withdraw £500 from her TSB account. She says she didn't carry out the transaction and went to a different ATM. Here she was told she had reached her withdrawal limit. Following Mrs N reporting this to TSB they provided a temporary refund of £500.

TSB looked into the issue. They decided that Mrs N had received her funds and TSB declined her claim. They also removed the £500 from her account which they had originally refunded.

Mrs N was unhappy with TSB, so she complained to our service. One of the investigators looked into the complaint. She thought TSB hadn't acted unfairly when it declined the claim. The technical evidence showed that the funds had dispensed correctly.

Mrs N was unhappy with the view. She provided more information. Our investigator didn't think the information provided changed the outcome.

As there was no agreement the matter has come to me to decide.

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.

Mrs N has said that the original ATM machine she went to on 27 February 2023 from Bank B wouldn't dispense more than £250 so Mrs N says she didn't proceed with the withdrawal and instead went to a different machine. At the second ATM machine belonging to TSB Mrs N tried to withdraw £500 but she was unable to because she had exceeded the daily limit. Mrs N called the bank to explain the situation. TSB raised an ATM dispute, and she was refunded the £500 whilst they investigated. Eventually TSB declined her claim and took the money out of her account. Mrs N says this left her overdrawn and her benefits money went to clear the overdraft, leaving her with no funds for everyday expenses.

From what I've seen I think it's reasonable for TSB to decline to refund Mrs N, I say this because:

- TSB contacted Bank B, the ATM provider, who provided journal roll for the ATM machine showing the cash had dispensed correctly.

- The journal roll shows that the person using the ATM before Mrs N and the person using it after both dispensed correctly.
- Mrs N says she didn't carry out the transaction but it's not clear how someone else could have got hold of Mrs N's card and Pin and used it in the ATM of bank B to withdraw £500 when Mrs N hasn't told us her card was missing.
- The £500 were withdrawn from the ATM of bank B at 17.44. A balance enquiry was carried out before the withdrawal took place.
- Mrs N has said that the TSB ATM declined to dispense, as she had reached her daily limit of £500. I have seen information to suggest that this decline happened at 21.22. This is considerably later than the time Mrs N is supposed to have gone to the first ATM. She has told this service she went to the first ATM Between 5 and 6pm.
- The funds showed as withdrawn on Mrs N's statement
- From the statements I see Mrs N regularly took out £500 in cash
- Mrs N has said the reason why she didn't use the ATM from bank B is that it would only dispense up to £250. Mrs N has said she realised this and that is why she cancelled the transaction and went to a different ATM.
- Mrs N's explanation of what happened that evening isn't consistent with the technical evidence.
- There is no point of compromise for Mrs N's card and Pin and the technical evidence suggests that the money was dispensed by the ATM at bank B following a balance enquiry.
- There is no evidence of money being retained in the purge box of the ATM machine for bank B.
- The further evidence provided by Mrs N to the investigator after the view doesn't explain how someone could have taken Mrs N's card and used it and returned her card to her in time for it to be used at the TSB ATM.

I've considered the technical evidence provided as well as the information that Mrs N has provided to us. As I've said, Mrs N's explanation of what happened isn't consistent with the technical evidence. The evidence I've seen suggests its more likely than not that either Mrs N or someone she knows used the card at the ATM machine of Bank B and withdrew £500. It follows I don't think Mrs N is entitled to get a refund of £500.

Mrs N was unhappy that TSB removed £500 from her account after it finished its investigation and declined to refund Mrs N. I am satisfied that TSB told Mrs N of their intention to remove the money from her account, they sent letters to her on 7 March and 27 April 2023. I appreciate that TSB removed the funds on 11 May 2023 and this left Mrs N overdrawn. However, Mrs N knew on 7 March 2023 that her claim had been unsuccessful, and TSB would be removing £500 from her account. I accept this was difficult for Mrs N, but the money didn't belong to Mrs N, so I don't think TSB have done anything wrong when they removed £500 from her account.

My final decision

For the reasons stated above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 21 November 2023.

Esperanza Fuentes
Ombudsman