

The complaint

Mr D complains that when he tried to use his bank card at an ATM at one of HSBC UK Bank Plc ("HSBC") branches, it was retained without reason. He is also unhappy that the replacement card was sent out by second class post.

What happened

On 3 December 2022 Mr D used his bank card at an ATM and it was retained by the machine. A new card was sent to Mr D by second class post on the 3 December which was not received by Mr D until 12 December.

In the meantime, Mr D made several calls and attended a branch of HSBC to ensure that his card was being sent to him. Mr D says that he did withdraw cash when his card was retained but some businesses that he attempted to purchase things from did not accept cash and this caused him considerable distress and inconvenience.

Mr D made a complaint to HSBC who looked into the matter and paid him £250 compensation.

Mr D didn't feel his complaint had been adequately resolved and so brought it to this service. An investigator from this service looked into it and they thought that the £250 compensation was reasonable.

Mr D didn't agree as he believes that further compensation is merited and so his complaint has been referred to me for a final 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.

My summary of the background has been deliberately brief since the investigator has adequately covered all the relevant facts. And it is not in dispute that Mr D's card was retained when it should not have been and that this caused Mr D distress and inconvenience. So I am going to focus on whether the £250 that Mr D has been paid is reasonable, given the overall circumstances of this complaint.

I accept that it would be distressing to not be able to use a bank card for 9 days, and that is especially the case in the run up to Christmas. I also do understand that it is becoming increasingly common for some businesses not to accept cash payments. That said, the amount of compensation already paid by HSBC is commensurate with what I would have recommended, if such an offer had not been made. I say this bearing in mind he was not completely without money whilst he was waiting for his new card to arrive. But also, I think it fairly reflects the inconvenience caused to Mr D in having to wait nine days for the card to arrive before he could make purchases with merchants who only accept card payments. So it follows that I am not going to ask HSBC to do anything more in relation to this.

Finally, I note Mr D's comments that he believes that replacement cards should not be sent out second class post. But, although I understand why Mr D has made this point, it is beyond the remit of this service to instruct HSBC to change the way it runs its business.

Overall I think that HSBC has paid a reasonable amount of compensation to Mr D in relation to this complaint and therefore I do not think HSBC needs to do anything more in relation to this matter.

My final decision

It is my decision that the £250 that HSBC UK Bank has already paid to Mr D is fair in the circumstances. I therefore don't require it to do anything further to remedy this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 17 August 2023.

Charlie Newton
Ombudsman