

The complaint

Mr T complains that HSBC UK Bank Plc (Trading as First Direct) has debited money from his account for an ATM transaction that he says was unsuccessful.

What happened

Mr T says he used an ATM outside an HSBC branch on 17 October 2022 to try to withdraw £500. He says that after a short delay the machine showed a message stating that it was unable to process the transaction. Mr T says he then went into the branch and was told the issue may have been that he was trying to withdraw too large an amount, so he tried to make a smaller withdrawal, for £250, using the ATM within the branch. But Mr T says he got the same message on that ATM, and no money was dispensed.

The next day, 18 October, Mr T asked HSBC to increase his daily withdrawal limit, and then successfully withdrew £500 in two transactions. But when he checked his statements, he saw that the withdrawal for £500 on the 17 October had also debited his account. As Mr T says he did not receive this money he raised his concerns with HSBC.

HSBC initially refunded the £500 while it looked into what had happened. But after some investigation it said that it was satisfied the £500 had been dispensed, so it reversed the refund.

HSBC did though pay Mr T £50 to recognise that it had provided him with some poor service, specifically in sending him a letter saying that there had been a malfunction on the ATM and that he could keep the refund when that was not actually the case.

Mr T was unhappy with HSBC's response, so he referred his complaint to our service.

Our Investigator didn't uphold Mr T's complaint. They were satisfied that HSBC had provided evidence to show that the cash had been dispensed. Mr T disagreed with these findings, so as no agreement could be reached this case has been passed 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.

Having done so I agree with the findings set out by our Investigator. HSBC has provided clear evidence from its internal systems which show that £500 was dispensed from Mr T's account at the ATM within the branch on 17 October 2022. It has also provided internal records for the ATM which don't show any errors or faults with the ATM that day and show that when the ATM was balanced at the end of the month it did not show a surplus equal to the £500 that Mr T says was not dispensed. In my experience, any of the potential ways in which a cash withdrawal could fail would show some evidence of that on one of these records.

I appreciate how strongly Mr T feels about this, and that he maintains that no cash was dispensed to him on 17 October 2022. But based on the evidence I've seen, I can't agree HSBC has done anything wrong. I'm more persuaded by the records produced by the ATM machine and HSBC's internal systems. As such, I can't say HSBC needs to credit any funds to Mr T, as the records show that his cash was dispensed.

I acknowledge that there was some poor customer service here in the communications HSBC had with Mr T about his complaint, but I'm satisfied the £50 HSBC has already paid to him was reasonable compensation for those service failings.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 4 January 2024.

Sophie Mitchell
Ombudsman