

The complaint

Mr A complains that HSBC UK Bank Plc (“HSBC”) retained his debit card at a cash machine and provided poor customer service when he phoned it to resolve the problem.

What happened

In March 2023 Mr A tried to withdraw cash from a cash machine but couldn’t, and his debit card was retained. Later that day Mr A rang and spoke to an HSBC adviser. He requested a new card and also wanted to know why his card was retained.

Mr A then made a complaint to HSBC and said he was put in the embarrassing position of having to borrow money for day to day necessities. Mr A was also unhappy about how his query was dealt with by the HSBC adviser, in particular with some of the questions he was asked, with the adviser’s refusal to provide his name and office details and the adviser’s failure to put him through to a manager. Mr A also made a subject access request (SAR).

HSBC responded to Mr A’s complaint and acknowledged it made an error when it retained his debit card, which was due to a system issue. It also said the HSBC adviser made errors on the phone call when he spoke over Mr A and was reluctant to provide his name and office address. HSBC also said a manager didn’t phone Mr A as promised and the times Mr A was put on hold were excessive. HSBC apologised and offered Mr A £200 compensation.

But HSBC didn’t uphold Mr A’s complaint about the HSBC adviser asking Mr A for the last four digits of his debit card, for asking why he wanted to speak to a manager and for saying no manager was immediately available. HSBC told Mr A it would need to confirm some details with him in order to finalise his SAR, so it asked him to phone it.

Mr A remained unhappy and brought his complaint to this Service. He said he had no access to his cash for six days. He asked that HSBC acknowledge its errors and provide him with compensation appropriate to its shortcomings and the inconveniences he suffered. Mr A also provided our Investigator with the outcome of an investigation carried out by the Information Commissioner’s Office (ICO) in relation to the SAR he had submitted to HSBC.

Our Investigator didn’t think HSBC needed to take any further action in relation to Mr A’s complaint, as she thought the compensation already awarded was fair. Mr A didn’t agree with what our Investigator said, so this came to me for a decision.

I contacted HSBC in relation to Mr A’s complaint about the SAR, as I could see that HSBC hadn’t been given the opportunity to look into this matter before it was brought to this Service. HSBC didn’t consent to this being looked into as part of this complaint.

I issued a provisional decision on 30 November 2023 and said my decision would not address the complaint point raised by Mr A about the SAR. I gave both parties the opportunity to respond. Mr A responded and requested a separate complaint be raised about the SAR.

I am now in a position to issue 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.

I first of all want to clarify that although our Investigator looked into Mr A's complaint about the SAR, I will not be addressing that issue here. HSBC has said it wants to investigate this particular complaint point before this Service looks into it, and it is entitled to do this. So if Mr A wants to pursue this, and he has confirmed that he does, then a complaint will need to be raised with HSBC in the first instance, and it can then be brought to this Service if he is unhappy with the outcome.

When Mr A brought his complaint to this Service he asked that we consider awarding compensation appropriate to HSBC's shortcomings. But this Service doesn't punish businesses for errors or shortcomings – that's the role of the regulator. What we do is look at the impact that any errors had on the consumer and look to award fair compensation for any distress or inconvenience caused.

HSBC has acknowledged that a system error caused Mr A's card to be retained. It has also agreed that the adviser he spoke to could have provided better customer service. And this is why it has awarded £200 compensation. So I've looked at whether I think further compensation should be awarded.

Mr A was undoubtedly inconvenienced when his card was retained and he had to borrow money for day to day expenses. I note that there are ways that Mr A could potentially have accessed cash from his bank account even without his debit card, and I have taken this into consideration when looking at the amount of compensation awarded. Having said that, while this might have meant he didn't need to borrow money, there's no doubt he would still have been inconvenienced as he would have had to make alternative arrangements to access his money. So I think it's fair that he was compensated for this inconvenience.

I listened to the call Mr A had with the HSBC adviser and I can see why he found elements of the call frustrating. For instance, he was put on hold several times so that the adviser could order a new card for him and when the adviser returned each time, Mr A was told the card hadn't yet been ordered. And a manager should have phoned Mr A back but didn't.

There were elements of the service provided by the adviser that Mr A felt went badly but, I think that, for instance, being asked for the last four digits of the withheld card number was an innocuous question – I think it's the case that some people would remember these digits and it was reasonable for the adviser to check if this was the case. I also think that it's the case that many businesses are set up in such a way that managers are not always immediately available, and if HSBC is set up in this way then this is a business decision that it is allowed to make and that I am not going to interfere with.

Taking everything into consideration I think that the £200 compensation already awarded by HSBC for the inconvenience caused to Mr A by having his card retained and the frustration caused by the poor customer service is fair.

I know my decision will disappoint Mr A, but I am not asking HSBC to take any further action here.

My final decision

It's my final decision that I am not asking HSBC Bank UK Plc to take any further action.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 12 January 2024.

Martina Ryan
Ombudsman