

The complaint

Miss H is unhappy with the outcome of an ATM dispute refund from HSBC Bank Plc (HSBC). She would like HSBC to pay her £500 compensation as she believes they have taken money from her account and lied to her.

What happened

Miss H says on 3 May 2023 she tried to withdraw £200 from an ATM but the cash didn't come out. So, on 22 June 2023 she raised an ATM dispute with HSBC. She says HSBC refunded the money but then took it back again. When she then complained to HSBC, she says they reccredited the £200 back into her account, but this money went straight into her overdraft, and she was not able to spend it.

Miss H says she was in a desperate situation, and she feels HSBC have stolen money from her. She feels she was lied to, as they told her she could have the £200 back, but when it was returned, she couldn't even use it.

HSBC say they credited Miss H's account with a temporary refund while investigating the ATM dispute. Then, following this, she told them she wished to cancel the dispute – so they took the £200 back.

HSBC say they then credited Miss H's account with £200 in resolution of the dispute, after she contacted them to ask for help. Miss H's account was overdrawn by £209 before the credit reached. So, she ended up with -£9 in her account.

HSBC say they have not done anything wrong. In fact, they say they credited Miss H's account without investigating the dispute as a one-time solution to help her in her difficult situation.

Our investigator considered this complaint but ultimately felt that HSBC had done nothing wrong. Miss H was not happy with this outcome, so the complaint has been passed 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.

I'd like to reassure both parties that although I've only given an overview of what happened, I've read and considered everything we've been provided in its entirety. Having done so, I've decided not to uphold the complaint, I'll explain why.

HSBC have provided a copy of the Dispute Declaration Form Miss H was asked to complete after raising the ATM dispute. In this the option to cancel the dispute and close the case has been ticked, and signed by Miss H. Having seen this, I think it's fair HSBC debited Miss H's account with the £200 temporary refund they had initially issued her.

I've seen the transcript of the live chat Miss H had with HSBC on 20 July 2023, where she asked for the £200 to be credited back into her account. I can see that the customer representative explained why the temporary refund had been taken back. The customer representative agreed to uphold her dispute on this occasion, but also explained that the refund would go into her overdraft, leaving her account balance at £-9. So, I think HSBC was clear in their communication here and I do not agree that they lied to her about how the refund would be paid.

I am sorry to learn that Miss H has been struggling financially and I am sure this outcome will come as a disappointment to her. But I've looked at the interactions Miss H had with HSBC throughout the course of this incident and throughout this complaint process. From what I've seen I don't think they have done anything wrong. HSBC upheld her ATM dispute without investigating it in order to help her through a tough time. Miss H's genuine spending left her account overdrawn, and I have not seen any evidence that HSBC unfairly debited any money from her account.

My final decision

I am not upholding Miss H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 27 December 2023.

Sienna Mahboobani
Ombudsman