

## The complaint

Mr R complained that HSBC UK Bank Plc (“HSBC”) incorrectly applied a withdrawal to his account – meaning that his bank statement was wrong. And he’s unhappy about how he was dealt with in the branch when trying to sort this out.

## What happened

In early March, Mr R withdrew £700 from his account, using a cheque in branch.

When he next received a statement, Mr R was concerned to see what he thought were errors on the statement. So he returned to the branch to query the entries which had been made.

Mr R spoke to a member of staff at the counter, who told him that the £700 withdrawal he’d made in early March had been incorrectly processed as a card withdrawal – not one made by cheque. To correct this, HSBC had re-credited the £700 withdrawal and re-processed to correctly show it had been made by cheque.

Mr R complained to HSBC that his statements weren’t correct, as they showed more payments and receipts than there had been. And he was unhappy that this was discussed in a public area of the bank. He also asked for £200 - which had been credited to his account without his permission when he’d made a previous complaint - be debited by HSBC.

HSBC investigated Mr R’s concerns and sent him their written response. They agreed the service provided by the branch had fallen below the standard they’d expect and that the counter staff shouldn’t have discussed Mr R’s statement in front of other customers. They credited Mr R’s account with £50 compensation for this, and for their original mistake in how his withdrawal was posted to his account.

But HSBC said it wasn’t possible to change the information on Mr R’s statement because it reflected the debits and credits which had been made – even though they were the result of the bank’s error.

Mr R wasn’t satisfied with HSBC’s response and brought his complaint to our service. Our investigator noted both parties agreed HSBC had made mistakes. So she focused her consideration on whether HSBC paying £50 into Mr R’s account was fair recognition of the impact that had had on him.

The investigator concluded that, whilst it’s usual for businesses to pay compensation in this way, HSBC should have dealt with Mr R differently. She noted Mr R’s previous complaint also related to HSBC talking about his account in front of other customers. And he wasn’t happy that the compensation he’d received for that complaint had been directly credited to his account.

The investigator said this would have made HSBC aware of Mr R’s concerns. But they’d not taken them into account in dealing with this complaint. For that reason, she thought it was fair to increase Mr R’s compensation to a total of £150 – which she said HSBC should pay

him by cheque.

HSBC accepted the investigator's view, although they said it's not possible for them to make a cheque payment. But Mr R said he thought he should receive more compensation. So I've been asked to make a 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.

Having done that, I'm upholding Mr R's complaint. But I don't think HSBC need to pay him any more than the additional £100 they've already accepted they should. I'll explain why.

Before I do that, I should clarify that I'm only looking at the complaint that arose in March 2022 – not at the previous complaint Mr R made, which concluded several years ago with a compensation payment to him.

We don't expect businesses to be perfect. Mistakes happen in every area of life. And it's not the case that we award compensation just because a customer has had something go wrong in their dealings with a financial business. Rather, we direct a business to pay compensation if we think they made a mistake – and that mistake had some negative impact on their customer.

All parties agree that Mr R's withdrawal of £700 was captured incorrectly on HSBC's system. And I think it's fair for HSBC to compensate Mr R for that – as well as for not dealing with his queries somewhere private.

But I don't agree with Mr R that his statement is wrong. It shows that a card withdrawal for £700 was made. That's not right. But the next two entries – reversing that withdrawal and entering a cheque withdrawal were made to correct that error. And they're an accurate record of the transactions that occurred. So I don't think HSBC were wrong to say the statement shouldn't be corrected.

### **Putting things right**

While I know Mr R's unhappy with the contents of his statement, I'm not directing HSBC to pay any more compensation for this, because I'm satisfied the statement entries are accurate.

And, while I acknowledge he was unhappy at what he found when he received the statement, I think the impact on Mr R was limited. He wasn't aware of what had happened before this. And he received an explanation from HSBC immediately he discussed what had happened with the cashier. Nor was there any point when Mr R didn't have the available funds he thought he did.

So I've only considered the impact of the initial error and that Mr R wasn't able to raise his concerns privately. In most circumstances I'd agree that £50 compensation was enough for this. And that it was appropriate for HSBC to pay this by crediting his account.

But I agree that it wasn't sufficient in this case, because this was a complaint Mr R had made before and one to which HSBC had no regard when dealing with this matter. For that reason, I agree with our investigator that it's fair for HSBC to pay a further £100 compensation.

And, while I don't think HSBC need to take back the £50 they've already credited to Mr R's account, I think the additional £100 payment should be made in a way he feels comfortable with. HSBC have said they can't issue a cheque. So I think, if Mr R chooses to accept the award, HSBC should contact him before they process it to agree how it will be paid.

**My final decision**

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For the reasons I've explained, I'm upholding Mr R's complaint and directing HSBC UK Bank Plc to pay him £100 compensation, in addition to the £50 they've already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 21 December 2022.

Helen Stacey  
**Ombudsman**