

The complaint

Ms K complains that a staff member for HSBC UK Bank Plc (HSBC) took her bank card away when recovering money from a faulty paying in machine. Ms K believes this is a breach of security.

What happened

In October 2022, Ms K attempted to pay some cash into a paying in machine in branch. Unfortunately, the machine malfunctioned when a note got stuck. Ms K said that when the member of staff helping to retrieve the money went into a different room to access the back of the machine, she took Ms K's bank card with her. Ms K feels that her account is now at risk, as the staff member had access to all of her account details, including the security code on the back of the card. Ms K said she would like HSBC to pay her £1,500 to penalise it for its actions.

HSBC apologised to Ms K and said it understood her concerns and that relevant coaching had been given to the staff member involved to ensure it doesn't happen again.

Ms K remained unhappy, so brought the complaint to our service. One of our investigators looked into the complaint and contacted HSBC for further information. Upon further review of the complaint, HSBC decided to offer Ms K £50 for the distress and inconvenience that had been caused. The investigator thought this was a fair way for the bank to resolve the complaint so didn't suggest any further action.

Ms K was still unhappy. She said she thought the offer of £50 was insulting. She therefore asked for the complaint to be looked at by an ombudsman, so the complaint was passed to me.

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 looked at the complaint fully, my review has led me to the same overall conclusions as the investigator previously set out and for much the same reasons. I will explain why.

I understand how strongly Ms K feels about this complaint. She has raised a number of points and although I may not mention every point raised, I've considered everything she has said but limited my findings to the areas which impact on the outcome of the case. No discourtesy is intended by this. It just reflects the informal nature of our service.

I can fully understand why Ms K is concerned that her card was taken away, when the staff member went into a different room, especially with the increase of fraud activity over the last few years. However, HSBC have acknowledged and apologised for the error, provided

feedback to the individual and have offered £50 in compensation for the inconvenience caused. I think they have done enough in the circumstances and believe the offer of £50 is fair and in line with what I would recommend.

While I appreciate Ms K was hoping that we would be able to penalise the business for the situation Ms K has been put in, our service does not hold that power. We are not the regulator, so we do not fine or punish businesses for actions they do or don't take – this is the responsibility of the regulator, the Financial Conduct Authority (FCA).

No fraudulent activity has been reported on the account but my understanding is that Ms K is concerned about any future potential fraud that may result. As the investigator mentioned in his view, if Ms K remains concerned, she can ask HSBC to send her a new card which would have new security information on it, making the information on her old card unusable.

If it hasn't done so already, HSBC should pay the £50 offered

My final decision

I uphold this complaint. If it hasn't done so already, HSBC UK Bank Plc should pay the £50 offered

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms K to accept or reject my decision before 8 February 2023.

Sarah Green
Ombudsman