

The complaint

Ms A complained because HSBC UK Bank plc, trading as first direct, refused to refund her for a £30 cash machine withdrawal. She said the machine had dispensed her money, but then taken it back before she could pick it up.

What happened

On 2 November 2023, Ms A used a cash machine outside a bank which wasn't HSBC. She wanted to withdraw £30. She said that the machine retracted the £30 back into the machine before she could take it.

Ms A immediately put her PIN number in again, hoping that this time the machine would dispense the original £30 plus the additional £30. It only gave her £30, but had debited her account with two £30 withdrawals. So Ms A went into the bank branch. The person she spoke to told her to ring first direct, so Ms A rang first direct immediately.

First direct passed the details to the machine owner for further investigation. In the meantime, it credited Ms A with a refund of £30 for the money she said she hadn't received.

But when first direct received evidence from the cash machine owner, this showed that both £30 transactions had been successful. So first direct wrote to Ms A on 28 November, saying that the branch had confirmed there hadn't been any cash machine malfunction which would have affected any cash dispensed. Nor had there been any cash discrepancy at that particular machine. So first direct deducted the £30 which it had previously credited to her account.

Ms A complained. But first direct didn't uphold her complaint. It explained that after the machine owner had investigated, the machine had been found not to be malfunctioning, and there had been no cash discrepancy. This was why first direct had re-debited the initial refund. First direct said that it understood Ms A was disappointed about this, but said it had to comply and agree with the results of the investigation by the machine owner.

Ms A wasn't satisfied and contacted this service.

Our investigator didn't uphold Ms A's complaint. He set out what the reports from the machine owner had said. He also explained that first direct hadn't been able to provide any CCTV evidence. So he said that everything he'd seen suggested the machine had been in good working order and the money had been successfully dispensed.

Ms A didn't agree. She said her complaint wasn't against first direct, but the machine owner. She said the cash machine hadn't dispensed the first £30. She said there was clearly something wrong with the machine, or fraudulent activity by the bank. She said she wanted her £30 and any CCTV would prove she didn't take it. She said that the investigator's response implied she was a thief, which she wasn't.

The investigator explained that the reason the complaint was against first direct was because they were Ms A's bank, and they'd debited the £60 total and had investigated the

complaint. He also explained that as Ms A wasn't a customer of the bank which owned the machine, she couldn't bring a complaint against that bank. The investigator asked Ms A some more questions, and Ms A confirmed that there hadn't been any error messages, and no-one had been behind her at the machine. She'd been able to hear the sound of money being "counted" but as soon as she went to take it, it was sucked back. Her card hadn't been withheld.

Ms A asked for an ombudsman's 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.

First, I confirm that first direct is the correct bank for Ms A's complaint. That's because she's a customer of first direct, and the rules which govern this service say that someone bringing a complaint has to be an "eligible customer". Ms A is an eligible customer of first direct. It was also first direct which investigated Ms A's complaint and took the decision, based on the computer evidence, to reverse the temporary £30 credit.

I recognise that Ms A has asked for CCTV. First direct didn't provide us with this, and it wasn't a first direct machine. CCTV is normally over-written after a short period, normally a month, so it wouldn't be available to me now. In any case, CCTV rarely shows what a customer might hope. For example, it would have to show simultaneously the money being withdrawn and at the same time a clear image of the person withdrawing it. But it often happens that this service doesn't have all the evidence we'd like, and when this happens I take my decision on the evidence I do have, in order to decide what's more likely than not to have happened.

Here, we have clear computer evidence about the machine.

I've looked closely at the computer evidence, to see what it shows. The main technical evidence produced by cash machines is called a "journal roll." This shows a detailed breakdown of each step-by-step process the machine has carried out.

The journal roll for Ms A's transactions shows both of her transactions on 2 November. The first is the disputed one, and this shows her card number, various technical information including the start and end of the transaction, and records that £30 was successfully dispensed as three £10 notes at 10.47.58 am.

This is immediately followed by the one where Ms A said she did receive the cash. This shows the same card number, technical information, and records that £30 was successfully dispensed as three £10 notes at 10.49.02 am.

I've also looked at the transactions immediately before and after Ms A's. These went through correctly too.

The technical evidence also shows that when the cash machine was next checked, it balanced – in other words, the amount of cash in the machine tallied correctly with the credits into and debits out of the machine. The certification slip provided by the Disputes Analyst who checked the machine records that *"I [name] Disputes Analyst certify that ATM was reconciled on 07/11/2023 with no surplus or deficit – Transaction shows as successful on journal roll. Decline."*

The amount of money in the cash machine wouldn't have balanced if Ms A's money had been returned into the machine, as it would have shown a £30 surplus.

I recognise that Ms A feels strongly about this. But as all the technical evidence shows that the cash machine correctly dispensed both of her £30 transactions, I find that it's more likely than not that the machine did successfully dispense her money. So I don't require first direct to refund her.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms A to accept or reject my decision before 7 May 2024.

Belinda Knight
Ombudsman