

The complaint

Ms C has complained that HSBC UK Bank Plc (trading as First Direct) won't refund a withdrawal where she says the cash was retracted.

What happened

In February 2024, Ms C withdrew £100 in cash from her First Direct account using another bank's ATM. She's explained that there was no error on the screen, but the cash was swallowed before she could collect it. She then made a second £100 withdrawal at the same machine right after, which she confirmed was successful.

First Direct temporarily refunded the first £100 and contacted the bank who own the ATM. That bank provided records to show that both withdrawals had completed successfully. So First Direct took the temporary refund back.

Our Investigator looked into things independently and didn't uphold the complaint. Ms C didn't agree, so the complaint's been passed to me to decide.

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 will clarify that my decision here is based on an impartial view of the evidence at hand. It is not a judgement of anyone's character. I could only fairly tell First Direct to refund Ms C if the evidence suggests that her withdrawal was not executed correctly.

According to the ATM's electronic records, Ms C put in her card and PIN and asked to withdraw £100. The withdrawal was approved, and £100 was dispensed in the correct notes. The ATM's balance reduced by £100, and according to the records there were no errors or problems with either of Ms C's withdrawals. Ms C also confirmed that she did not see any error messages.

The customers before and after Ms C were also able to use the machine without any issues, and the next customer was only about a minute afterwards. Indeed, Ms C was able to use the machine successfully herself just after the withdrawal in dispute. The cash machine does not appear to have had any problems at the time.

If the ATM had taken back the first £100, then I'd expect it to have had £100 or so of extra cash in it afterwards. But when the cash machine was checked for balancing, it was found to have balanced exactly, as confirmed by the analyst and the relevant balancing records. This also evidences that the cash was dispensed properly.

So the evidence I have strongly supports that Ms C asked for £100 and that the cash machine gave it out. And I've not found anything which reasonably shows or substantiates that the cash did *not* get dispensed. The points that – for example – Ms C had substantial savings and made another withdrawal are not significant enough for me to overlook all the other key evidence showing that the disputed withdrawal was successful here.

As such, I don't have a reasonable basis on which to tell First Direct to refund the disputed withdrawal. I find it was fair for them to reverse the temporary refund. I can see that Ms C received their letter notifying her of this, as she provided a copy. And I've not found that the reversal placed Ms C into any undue financial difficulties.

I do appreciate that this is not the outcome Ms C was hoping for. But given the evidence at hand and the balance of probabilities, I'm unable to reasonably reach any other conclusion.

My final decision

For the reasons I've explained, I don't uphold Ms C's complaint.

This final decision marks the end of our service's consideration of the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 4 December 2024.

Adam Charles
Ombudsman