



## **The complaint**

Mr M complains that HSBC UK Bank Plc took an unauthorised sum from his account that meant his account went into overdraft and caused him stress and inconvenience.

## **What happened**

On 20 December 2024 Mr M went to a branch of HSBC to withdraw £700 over the counter, but when he got home, he noticed a further £990 had been taken from his account. This caused Mr M's account to go into overdraft.

Mr M called HSBC and was told to go into branch the next day, but when he did so, there was no cashier service on a Saturday. He said that the manager was rude to him and told him to come back on Monday. Mr M said this mistake meant he lost a day's work on 21 December costing him £230 and his credit file was impacted until the money was returned.

HSBC apologised for the distress and inconvenience it had caused Mr M and returned £990 to his account and waived the charges. HSBC paid Mr M £100 compensation and sent urgent feedback to the branch managers to ensure the error wouldn't be repeated.

Mr M wasn't satisfied with HSBC's response to his complaint and referred it to our service. He said he wanted £250 (and subsequently at least £300) compensation for the stress and inconvenience this incident had caused. He asked how the cashier had kept his account details open to allow the next customer's transaction to be linked to his account.

Our investigator didn't recommend that the complaint be upheld. He said Mr M responded to HSBC's text alert the same day and was advised to go back to the branch. He said the issue was resolved on 23 December 2024 with the recrediting of the £990, followed by the apology and compensation from HSBC.

The investigator found no evidence of a data breach as the account was debited by HSBC's staff who have access to the account. He said there's nothing to show that anyone outside of HSBC had sight of Mr M's accounts or data. And said there's no evidence of the treatment Mr M received at HSBC's branch on 21 December. He said it appears the branch manager took onboard Mr M's issue and rectified the matter the next working day, 23 December 2024.

The investigator said HSBC's apology and compensation is fair and reasonable, and in line with our approach. He said we wouldn't make awards for the time a consumer took off work. He said he couldn't go into measures HSBC took about the error, as these are confidential.

Mr M disagreed with the investigator and requested an ombudsman review his complaint. He said the investigator hadn't mentioned his absence from work or lost earnings. He asked if the investigator had checked HSBC's computers, and the branch CCTV. He said it is very poor and unprofessional that the investigator is siding with HSBC.

## **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 was sorry to learn that what should have been a straightforward cash withdrawal turned into a worrying experience for Mr M that required his immediate attention. Part of my role is to determine whether what took place, particularly after the cash withdrawal was reasonable and whether HSBC followed the process correctly.

In assessing whether HSBC acted fairly, I've taken into account the relevant rules and guidelines along with good industry practice. There are general principles that say a bank should conduct its business with due skill, care and diligence and pay regard to the interests of its customers.

Our service is impartial, we don't act as a consumer champion but seek to make fair and reasonable decisions based on the facts and evidence of each case. We are an informal dispute resolution service and seek to resolve complaints fairly for all parties.

I'm pleased that HSBC quickly acknowledged its error, apologised to Mr M and paid him £100 compensation for the impact on him. Mr M doesn't think this is fair as it doesn't reflect the poor service he received, the time off work, or that his account went into unarranged overdraft for the days in between it being rectified. Mr M also thinks there may have been a data breach (because his money may have been debited to someone else).

Later the same day of its error, HSBC sent Mr M a text message about his account going into an unarranged overdraft and a fee that would be charged. Mr M spoke to HSBC and was advised to go to the branch and make staff aware of what had happened.

From its records I can see that HSBC allowed a subsequent transaction to be debited to Mr M's account. Mr M's local HSBC branch recognised its mistake on his visit the following day and arranged for the funds to be returned to him and charges waived. I'm glad to see that HSBC has provided immediate feedback to the branch manager as I want HSBC to view Mr M's complaint as an opportunity to review this part of its account management.

Mr M was unhappy about the rudeness he said he received from the branch manager. There's no evidence about this but it's clear the manager responded promptly to his complaint. Also, I can't see that there was a breach of data protection, as Mr M has suggested, when HSBC debited his account for another customer's transaction. But ultimately breaches of data protection legislation are best dealt with by the Information Commissioner's Office rather than this service.

When we make awards of compensation we are not looking to fine or punish a business but to find an award that fairly and reasonably compensates the consumer for the wrong that has been done. Because, on the next working day Mr M's account was returned to the correct position as if the error hadn't happened, there is no loss from his account.

Mr M said he lost a day's income from having to attend HSBC's branch on a Saturday. HSBC and our investigator have said that they do not pay compensation for the time taken off work. For the sake of completeness, I requested Mr M provide details of his loss for that day, but he said he can't get a letter from his employer about loss of earnings.

I'm sorry to learn that this issue has upset Mr M, but I can't agree that the evidence supports that he has been treated unfairly following HSBC's error. Although I agree with Mr M that he has been caused frustration and inconvenience, I also agree with the investigator that £100 compensation falls within our guideline for the single error and having to go to the branch as a result. Our guidance describes this compensation as fair in respect of, 'repeated small

errors or a larger single mistake, requiring a reasonable effort to sort out'. I would also say that the compensation is similar to that in other complaints of this type that we have seen.

I think it's important to explain that my decision is final. I realise that Mr M will be disappointed by this outcome though I hope he appreciates the reasons why it had to be this way.

### **My final decision**

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 26 March 2025.

Andrew Fraser  
**Ombudsman**