

The complaint

Mr R complains about the service he received from Bank of Scotland trading as Halifax, after trying to make a withdrawal at a cash machine.

What happened

In November 2024, Mr R tried to withdraw £10 from a cash machine with his Halifax debit card. The transaction was charged to Mr R's account; however the machine didn't dispense the cash.

A few days later Mr R went into a Halifax branch to raise a dispute about the £10 not being released. While the dispute was raised, Mr R also wanted to raise a complaint about the inconvenience of not receiving the money and needing to raise the dispute, but this wasn't set up.

Mr R received a refund for the £10 the following day. Mr R then called Halifax to set up a complaint about the service he'd received. While taking notes the call handler accidentally transferred Mr R to their manager, meaning he had to explain his concerns again.

Halifax responded to Mr R's complaint in February 2025. It said it was pleased to see the £10 had been refunded, however as the problem had occurred at cash machine that didn't belong to Halifax, it didn't agree it should pay compensation for the problem with the machine. Halifax did acknowledge it should have raised a complaint in branch, and the call a couple of days later could have been handled better. To apologise for these errors, Halifax paid Mr R £75.

Mr R didn't think the compensation was fair, so referred his concerns to our service. One of our Investigators looked into what happened and thought Halifax had done enough to resolve the complaint, so didn't recommend any further compensation.

Mr R disagreed, so, as agreement couldn't be reached, the complaint has 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.

Having done so, while I appreciate this answer may come as a disappointment to Mr R, I've reached the same conclusion as our Investigator for broadly the same reasons. I've explained why below.

I appreciate it would have been frustrating when the cash machine didn't dispense the cash. However, the cash machine wasn't owned by Halifax, rather another bank. So, it wasn't Halifax's fault the cash machine didn't work.

When made aware of the issue, Halifax raised a dispute as I'd expect, and Mr R received a refund the next day. While I recognise there would have been some inconvenience to Mr R attending branch to raise the dispute, as Halifax wasn't responsible for the cash machine, I don't think it then must compensate Mr R for this, as it wasn't at error.

While I don't think Halifax needs to pay compensation for the problems with the withdrawal, I'm pleased to see it's recognised that the service it provided in resolving the issues could have been better. Halifax says it should have raised a complaint for Mr R, as requested in branch. Mr R then called Halifax to raise a complaint and was accidentally transferred to the call handler's manager, meaning he had to summarise his concerns again.

Building on everything that had happened, I don't doubt this would have been frustrating for Mr R, and I think it's appropriate Halifax pays some compensation to acknowledge this. Halifax has paid Mr R £75 and in the circumstances I think this is fair and in line with how our service awards compensation. I say this as while I acknowledge there was some inconvenience, Halifax refunded Mr R the £10 within a day of being made aware of the issue and responded to his complaint within the set timeframe.

In conclusion, I don't think Halifax is responsible for the original issue with the cash machine, as it didn't belong to the bank. However, the service Mr R received in resolving the issue could have been better and I think Halifax's payment of £75 to apologise for this is reasonable, so I won't be asking it to do anything further.

My final decision

For the reasons set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 16 July 2025.

Christopher Convery
Ombudsman