

The complaint

Mr T complains that HSBC UK Bank Plc (HSBC) provided poor customer service when he reported transactions he didn't recognise on his account.

What happened

Mr T is unhappy with the level of customer service provided from HSBC, while investigating six disputed transactions in May 2023. He said it originally refunded the transactions, which totalled just over £30, but then later re-debited some of the transactions without his knowledge. He said that when he called up to query this, he had to spend an excessive amount of time dealing with the dispute, was transferred to multiple departments and felt that HSBC blamed him for not responding to a letter that he hadn't received.

HSBC said that it had investigated the original disputed transactions and that the merchant had provided evidence that the transactions were genuine. It attempted to send Mr T a letter, informing him that it would be re-debiting the account and provided him a window of opportunity to challenge if needed. HSBC then re-debited the account.

When Mr T noticed the re-debits, he contacted HSBC again, unhappy that some of the disputed transactions had been repaid to the merchant. After a number of conversations, HSBC discovered that the letter to Mr T didn't have an address on it, so Mr T could not have received a copy. It therefore accepted that he hadn't been able to challenge it. As a result, as a gesture of goodwill, it refunded all of the disputed transactions, the transaction fees and the overdraft interest that had been charged when it re-debited. It also paid £100 compensation for the upset the situation had caused him.

Mr T didn't feel that this was proportionate for the level of inconvenience and distress he had been caused, so brought the complaint to us. One of our investigators looked into what had happened. He understood why Mr T was unhappy but thought HSBC had done enough in the circumstances.

Mr T remained unhappy, stating that the compensation was inadequate and that he was still concerned further funds could be taken by the merchant, so the complaint was passed to me to make a final 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.

Having done so, my review of the evidence has led me to the same overall conclusions as the investigator, for broadly the same reasons.

I understand how strongly Mr T feels about this complaint. He has raised a number of points and although I may not mention every point raised, I've considered everything he 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.

Mr T didn't receive the letter that would have given him the opportunity to dispute the merchant's submissions and the dispute was then closed. As this was due to an error on HSBC's part, I think it is fair that HSBC provided a refund of the disputed transactions and any associated costs.

Mr T was also unhappy with the customer service that had been provided. Amongst other issues, he complained that he was being passed around to different staff members and felt blamed for what had happened. I can imagine that this was extremely frustrating and upsetting in an already stressful situation.

I was pleased to see that once HSBC discovered its error, it apologised, acknowledging that the customer service should have been better and awarded £100 for the distress and inconvenience caused. While I understand that Mr T doesn't feel that this is sufficient, having reviewed everything Mr T has mentioned, I think this amount is fair under the circumstances.

Mr T is also concerned further funds could be taken by the merchant. I understand why this would be a concern. HSBC have informed me that his original card was blocked in May 2023 and a new card issued to Mr T, which should help secure his account. It also confirmed no further transactions have been attempted by the merchant. I hope this goes some way to reassuring Mr T.

My final decision

The bank has already made an offer to settle this complaint. I think that offer is fair and reasonable in the circumstances.

My final decision is that HSBC UK Bank Plc does not need to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 2 January 2024.

Sarah Green
Ombudsman