

The complaint

Mr C makes a number of complaints about HSBC UK Bank Plc.

What happened

Mr C makes about 10 complaints about HSBC regarding a number of issues. The complaints follow Mr C's secure keypad used for online banking failing. In summary Mr C says he was unable to use online banking for about six weeks, HSBC was unable to amend its security process and it send him passcodes with short expiry dates. There are other complaints which Mr C has listed which include his complaint that HSBC ought to be able to monitor the battery life of a keypad.

HSBC says Mr C deliberately failed its security process and it's unable to monitor the battery life of a keypad. It says it has paid compensation for some of the problems and says it isn't responsible for the delivery of the mail.

Mr C brought his complaint to us, and our investigator didn't uphold the complaint. In summary the investigator didn't think it reasonable for HSBC to be able to monitor the keypad battery life and thought it correct to end the call when Mr C failed its security questions. The investigator didn't think HSBC responsible for the delivery of the mail and that it had paid appropriate compensation.

Mr C doesn't accept that view and says other banks monitor battery life and he questions why HSBC can't simply correct a mistake during a security call. He says the compensation was for unrelated complaints.

I asked both sides for further information. HSBC says it paid £100 compensation for the problems with the security key. And £50 for an unrelated matter.

Mr C says the compensation was for loss of data.

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 I have come to the overall view that I don't require HSBC to do anything further in the circumstances of this complaint. I appreciate Mr C will be disappointed by my decision and appreciate how strongly he feels about what took place. I hope it will assist Mr C if I explain our role here. We are not HSBC's regulator and so it's not our role to direct it about how it operates. I say that as Mr C questions HSBC security policy. I find such matters are for a business to decide upon.

I also appreciate Mr C has listed 10 areas of complaint. I don't intend to repeat those complaint points and I will deal with what I consider the main points in this decision. I make clear to Mr C that I have read his detailed submissions to us.

I'm satisfied that the problem here started when Mr C's keypad battery failed. I can't fairly

hold HSBC responsible for that and think it inevitable that at some point a battery will fail. I appreciate Mr C says other banks monitor usage and can monitor battery life. I can't fairly comment on that but can see HSBC makes clear it can't do so and I have not seen any evidence that it told Mr C that it could. So, I don't think HSBC made a mistake or acted unfairly in those circumstances and can't see what alternative it had but to either send a new keypad or make it available in branch. I accept that customers in those circumstances are caused inconvenience but that is not something I can fairly hold HSBC responsible for and think that other forms of banking are still available. I accept the account Mr C wanted to open required online access but can't see there was any real impact caused by what took place. I say that as Mr C would have been able to open the account when online access was restored.

There is no dispute here that HSBC sent Mr C new codes with expiry dates. I don't think HSBC made a mistake by doing so and, as I have made clear, such matters are for it to decide upon when exercising its commercial judgement. I appreciate that Mr C says he didn't receive them before they expired. But that is not something I can fairly hold HSBC responsible for as it's not involved in the delivery of mail and isn't responsible for external factors that prevented the mail being delivered. I find there was an inevitable delay caused by this issue that neither side to this complaint was responsible for.

I have listened to the call between the parties in which Mr C failed HSBC's security questions. I'm satisfied Mr C deliberately gave incorrect details which of course was his choice. I appreciate he may have been concerned about the call and if it was genuine. But I don't think HSBC made a mistake or acted unfairly by deciding not to proceed with it. I appreciate Mr C says HSBC should be able to deal with such circumstances and cites an example of a genuine mistake. But this was a calculated response by Mr C and as I have previously made clear such decisions are for a business to make. I can't fairly hold HSBC responsible for any delay in resolving any issues caused by that call and I don't think HSBC exhibited any signs during that call that would result in a reasonable conclusion the call was a "scam".

I can see that Mr C has been paid compensation and appreciate he says it was for a different complaint. I can see Mr C was paid £50 compensation for an unrelated issue about data being lost. HSBC's records say Mr C was paid £100 compensation for problems activating the security code. So, I think on balance HSBC has acknowledged that there were some issues with the activation of the codes which I think is fair and reasonable in circumstances which I accept are not clear. I also accept there is an overlap here about the complaints as they are clearly linked. And I accept HSBC ought to have been far more specific about what each compensation payment was for. But equally I have not seen evidence for example of financial loss and am satisfied online access was restored.

Overall, I appreciate Mr C was caused frustration and inconvenience. But I'm satisfied that HSBC wasn't responsible for the main problems here. I accept there were issues with activating the codes which HSBC has accepted and paid what I think is appropriate compensation. I have not seen evidence of direct financial loss from Mr C that would justify further compensation and have made clear that the main complaint areas are not upheld. I find this now brings an end to what we in trying to resolve this dispute informally can do.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 30 December 2023.

David Singh
Ombudsman