

## **The complaint**

Mrs G complained to HSBC UK Bank Plc ("HSBC") about being unable to make payments using her debit card when shopping online.

## **What happened**

Mrs G previously complained to this Service that HSBC required her to take additional steps to verify online purchases. A decision was issued in July 2022 and the deciding Ombudsman said he was unable to ask HSBC to change how its customers are verified as this was a business decision for HSBC. He instructed HSBC to send a card reader to Mrs G.

HSBC subsequently sent a card reader to Mrs G, which she first tried to use around October 2022. Mrs G said she wasn't able to complete that particular online purchase. Mrs G phoned HSBC and it agreed to authorise that payment. This didn't resolve the issue of Mrs G not being able to authorise payments using the card reader, so HSBC replaced the card reader.

Mrs G continued to have problems making online purchases and so complained to HSBC.

HSBC responded to Mrs G in November 2022. It said it was reviewing the issue with urgency. It said it would let Mrs G know when it had more information from its IT team, and it would then look to provide compensation in line with the inconvenience caused.

Mrs G brought her complaint to this Service in December 2022. She said HSBC weren't able to explain the problem, say how long it would take to fix and had started to ignore her emails. Mrs G said she felt bullied into having the card reader and felt the least she could have expected was that it worked.

Our Investigator said it wasn't clear whether the problems with online payments lay with HSBC or with Mrs G. But as the matter was unresolved, she asked HSBC to continue investigating and, when its IT team responded, to contact Mrs G to try and fix the problem. Our Investigator thought HSBC should pay £100 compensation to Mrs G for the ongoing inconvenience.

HSBC didn't agree with everything our Investigator said, but agreed to pay the £100 compensation as a gesture of goodwill.

Mrs G didn't agree with what our Investigator said, indicated she was following all directions and thought the problem wasn't at her end. Mrs G said the £100 compensation suggested didn't cover the stress and inconvenience caused. So this came to me for a decision.

I contacted HSBC and asked whether it had so far exhausted all avenues trying to sort this matter out, in particular as our Investigator had suggested it should continue to look into the problem. HSBC responded and said it contacted Mrs G in February 2023 to let her know its IT department had been unable to find a reason why Mrs G was having the problems she described with online purchases.

I contacted both parties and said I had considered whether there were any further steps that could be taken to find a resolution to this problem. I told both parties that as HSBC hadn't been able to find anything wrong at its end, and as I had no way of knowing how Mrs G was using the card reader, I thought a reasonable course of action would be for HSBC to offer Mrs G an appointment at her local branch, and for Mrs G and an adviser to go through the verification process to see if they could pinpoint the problem.

Mrs G told me that work commitments mean she would find it difficult to attend such an appointment at an HSBC branch. For its part, HSBC has agreed to make arrangements for an in-branch appointment.

I am now in a position to issue 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.

I know Mrs G would prefer not to use the card reader to authorise online purchases. But a final decision has previously been issued by this Service where the issuing Ombudsman said he couldn't interfere with HSBC's processes for verification online, and so HSBC was instructed to send the card reader to Mrs G. So I want to be clear here that the findings in the final decision issued in July 2022 won't be looked at again.

It's clear that Mrs G is having problems with making online purchases using the card reader. What's unclear is why that is happening. At this stage HSBC said it's done all it can to sort this out, including sending a second card reader in case the first was faulty. For her part, Mrs G says she's able to use a card reader when using her husband's card and said she is fully aware of how to use the card reader.

The question I'm looking at here is whether HSBC has done enough in relation to how it dealt with Mrs G's complaint.

I can see that HSBC has already tested whether the problem might be with the card reader itself by changing it at least once, so it seems unlikely that a faulty card reader is the issue here. And I can hear from the various calls Mrs G made to HSBC that it hadn't put any blocks on transactions, and transactions were quickly processed when they were individually authorised by HSBC. I can also see from the information HSBC sent to this Service that steps were taken by it to contact relevant departments to sort this problem out. So I think HSBC took steps to try and resolve this issue for Mrs G. Having said that, I think it took some time for HSBC to communicate to Mrs G whether or not this problem was caused by a technical issue. So I agree with our Investigator that it is fair to ask HSBC to pay £100 compensation for the distress and inconvenience caused by this delay. HSBC has already agreed to pay this amount.

It's my understanding that this problem is not yet resolved, and I can't see it being resolved without both parties coming together to try and work out what is causing this problem. So I think a reasonable next step is for HSBC to make contact with Mrs G and again offer her an appointment with an adviser at her local HSBC branch, at a time that suits her work commitments. This is so that both parties can go through the verification process to try and pinpoint the problem. If Mrs G cannot attend appointments on a weekday, then an appointment should be made with an adviser at the closest branch to Mrs G that is open on weekends.

Mrs G is not at all obliged to attend any appointments offered by HSBC – I can only instruct HSBC to take further action here. And I appreciate that she has other commitments that are a priority for her. But I would encourage Mrs G to work collaboratively with HSBC so that further attempts can be made to resolve this issue.

**My final decision**

It's my final decision that HSBC UK Bank Plc should pay Mrs G compensation of £100.

HSBC UK Bank Plc should also ensure that it arranges an in-branch appointment for Mrs G with one of its advisers, as outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs G to accept or reject my decision before 18 December 2023.

Martina Ryan  
**Ombudsman**