

The complaint

Mr M has complained about the service HSBC UK Plc trading as first direct (FD) has provided when he asked it to make a reoccurring transaction.

What happened

The details of the complaint are well known to both parties, so I will not repeat them again here. Instead, I will focus on giving the reasons for my decision.

I issued my provisional findings on 8 September 2023 which said:

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I've taken into account Mr M's very detailed submissions about what happened at the time. I hope he doesn't take it as a discourtesy that I don't reply to every point he has made. The purpose of my decision is to explain my findings on the issues I consider key in the complaint.

It is not in dispute that FD made an error when it placed a block on all payments made to the retailer concerned. As Mr M had requested a specific re-occurring payment to be blocked and was assured this wouldn't impact other payments. And when asked to remove the block he was incorrectly advised that it had been removed. So, what is left to consider here, is how quickly FD rectified the error when Mr M notified it that other payments to the same retailer had been blocked and the impact this had on him.

I can see that Mr M originally asked FD to unblock the payments on 24 April 2023 via mobile chat services. However, after reviewing the contact notes I am aware that Mr M was told he couldn't dispute transactions via mobile chat services but could either contact its disputes team via phone, text relay or via secure message using the online app. I note Mr M was previously advised this when he raised a complaint earlier in the year. Mr M confirmed he was unable to call as he was abroad and couldn't use text relay due to his network provider. But he still had the option to use the secure message service via the online app.

On 25 April 2023 Mr M contacted FD again via mobile chat services, and again was told the issue needed to be referred to disputes and couldn't be resolved via mobile chat services. From the system notes provided I can see the advisor offered to arrange for someone to contact Mr M (as she understood he was abroad) but Mr M said he couldn't take the call.

However, I do note that Mr M did end up contacting the disputes team that day and one of the advisors from FD confirmed she would email him when the block had been removed. I can see an email was sent to Mr M at 10.30am that day advising the block had been removed. Mr M responded stating it was too late as his potential new employer had withdrawn the offer.

I understand this was a difficult situation for Mr M and after listening to his calls, I accept he was distressed and worried about his employment. That said, I also have to consider how Mr

M mitigated his own losses. There is no doubt that FD made an error, and this error impacted Mr M. But Mr M was made aware multiple times on 24 April 2023 that the mobile chat services couldn't resolve this issue and was provided with alternative options (including secure messaging via the app) for Mr M to contact the disputes team. I also note when Mr M called and spoke to the advisor, he was offered multiple times to be transferred to the disputes team as she explained she was unable to assist with removing the block. This specific call lasted 15 minutes and if Mr M had agreed to be transferred to the team which were able to assist him it could have been resolved. As such, I have to take into consideration, if Mr M had called the disputes team sooner, allowed the advisor to transfer him to disputes or contacted them via the secure messaging service in the online app, he could have had the block removed sooner.

However, I have also considered, even though Mr M had been notified that the block had been removed (on 25 April 2023 via email), the block hadn't been removed. Although, Mr M had already confirmed at that point the potential new employer had withdrawn the offer, this was another error made by FD, which would have compounded the distress Mr M was already experiencing. And while I don't dispute what Mr M has said, he hasn't provided evidence to demonstrate he was offered the role or that the role was withdrawn based on the error that FD made. As such, I don't think it would be fair or reasonable to hold it accountable for Mr M's potential employment offer being withdrawn.

I agree that FD has made service errors which have impacted Mr M in several ways. He told us he felt distressed and inconvenienced in having to deal with the issues. It is important to note that raising any complaint does cause some degree of inconvenience and that isn't something we'd ordinarily say warrants compensation. However, FD has accepted it made mistakes and offered Mr M £75 compensation. I don't think this is fair. I say this because, knowing the distress Mr M was already experiencing, FD again made a further error, which would have compounded the degree of distress he was experiencing, and the matter wasn't resolved until five days later. And while I don't think it was foreseeable that this error would have resulted in Mr M's potential employer withdrawing a job offer, taking into consideration what Mr M could reasonably have done to mitigate his own losses, I do think an increase in compensation is warranted.

So, FD should pay Mr M £150 and I am satisfied for the reasons outlined above that this compensates Mr M for the distress and inconvenience he experienced as a result of FD's error.

My provisional finding is that HSBC UK Bank Plc trading as first direct should pay Mr M £150 for the distress and inconvenience it caused."

FD responded to my provisional decision and said that is agreed to it but purely as a gesture of goodwill and with no admission of liability.

Mr M responded to the provisional decision and in summary said the following:

- He felt £150 was unacceptable especially considering the mental anguish he experienced.
- He couldn't provide evidence of the employment contract as the offer was only made verbally. However, he asked why we hadn't considered the contract from his current employer showing his reduction in salary.
- He was unhappy that I suggested he could have sent a secure message via the app as he says users are unable to send secure messages via the app.
- He also stated that just because he hadn't called FD he still contacted them via mobile chat, so he had still made contact.

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.

After considering the comments made by both parties my decision remains the same as I outlined in my provisional findings. But I will answer Mr M's further points he has raised.

I am sorry Mr M feels £150 isn't enough to compensate him for the mental anguish he has experienced. However, I have provided my reasons in my provisional findings as to why I believe this is fair and reasonable, taking into account our approach to making awards and the fact I feel Mr M could have mitigated his own losses. Therefore, the decision remains the same in regards to this.

As I said in my provisional findings, Mr M hasn't provided evidence to demonstrate he was offered the role or that the role was withdrawn based on the error that FD made. While there may not be evidence of a contract (based on Mr M being offered the position verbally) I think on balance of probabilities there would be some evidence Mr M could have provided, such as correspondence in the lead up to an interview, or confirmation an interview/meeting had been arranged, arranging a time to call, or even correspondence to show why the offer had been revoked. And considering how passionate Mr M was about the error FD made, it seems reasonable to assume this was communicated to the potential employer. And if the employer confirmed it was revoking the offer purely based on FD's error, I think it is foreseeable Mr M would have been unhappy and would have planned to pursue the matter with FD (as he did) as such, he could also have asked for this to be confirmed formally by the employer to assist him pursuing the issue further.

In any event this doesn't retract from the fact FD made an error and should compensate Mr M for that, I just don't think it's reasonable to say (without supporting or persuasive evidence) this error was the sole reason a potential employment offer was revoked. I understand Mr M would like me to consider his new employment contract and the reduction in his salary. But I think this is irrelevant. It doesn't prove Mr M was offered a role with a higher salary and there may be many reasons why Mr M accepted a position with a lower salary than what he may have been on previously. As such, it wouldn't assist me in making a decision on whether FD made an error and if it has done enough to put it right.

Mr M says you can't send a secure message via the app. FD says he can send a secure message via the app if he logs it as a complaint. It's unclear from the evidence provided if Mr M could log the complaint via secure message. However, I am satisfied from the evidence provided that there were alternative options presented to Mr M in order to assist him. As mentioned in my provisional findings it was made clear to Mr M on several occasions the complaint couldn't be resolved via mobile chat. So, while he had made contact, he was aware it couldn't be resolved that way. I also felt Mr M could have mitigated his own losses if he had called the disputes team sooner. On one specific call (mentioned in my provisional findings) Mr M refused to allow the manager to put him through to the disputes team. The call lasted 15 minutes and if Mr M had agreed to be transferred to the team it could have been resolved sooner.

For the reasons I have explained above, my decision remains the same.

Putting things right

HSBC UK Bank Plc trading as first direct should pay Mr M £150 and I am satisfied for the reasons outlined above that this compensates Mr M for the distress and inconvenience he experienced as a result of FD's error.

My final decision

My final decision is that HSBC UK Bank Plc trading as first direct should pay Mr M £150 for the distress and inconvenience it caused

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 21 November 2023.

Jade Rowe
Ombudsman