

The complaint

Miss B has complained HSBC UK Bank Plc won't refund her for transactions she didn't authorise.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Miss B had an account with HSBC. In July 2023, she hired a car from "E" and made the payment of £768.68 using a debit card connected to her HSBC account.

There were a further three transactions to E for £160, £35, and £35 which Miss B said were taken from the account by E without her authorisation. She contacted HSBC to complain about the transactions and it disputed them with E.

E refunded £116.24, but Miss B wasn't satisfied and so she complained to this service about the dispute payments. She also said she wanted compensation for the trouble and upset caused by the delays investigating her claim and the time it had taken HSBC to respond to her complaint.

HSBC said it disputed the payments and E refunded £116.24 Miss B's account on 14 August 2023. It didn't pursue the claim further and it wrote to Miss B to tell her the claim was assumed resolved. It said since she said she was unhappy, it had asked for more information so it could review the claim and make further contact with E, but no further information was received.

It paid Miss B £100 compensation but it said it didn't accept there had been an error in its investigation and it said that if Miss B provided the information it had requested, it would continue to review the claim.

Our investigator didn't think the complaint should be upheld. He explained the PIN was correctly entered for the first transaction on 31 July 2023 and Miss B wasn't saying she didn't authorise it. And she hadn't claimed that anyone else had her card or could have entered her PIN without her knowledge. He noted the disputed transactions were done using the card details Miss B had provided on 31 July 2023, so he was satisfied she had consented to the transactions for the purposes of the Payment Services Regulations.

Miss B has asked for her complaint to be reviewed by an Ombudsman. She accepted she had authorised one transaction on the day she rented the car (for £768.68) but the other three payments were taken without her consent. She explained that she realised E had taken the other payments when she checked her statement in the branch.

She said she wasn't happy with the £100 compensation HSBC had paid because the complaint wasn't looked into properly and it had told her it would refund the payments.

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've reached the same conclusion as our investigator. And for largely the same reasons. I know Miss B feels strongly about this complaint, and this will come as a disappointment to her, so I'll explain why.

Miss B accepts she consented to the payment on 31 July 2023 when she rented a car from E. She hasn't said she didn't authorise the payment and she hasn't claimed that anyone else had her card or entered her PIN without her knowledge. Because of this, I'm satisfied Miss B 'authorised' the first payment for the purposes of the of the Payment Services Regulations 2017 ('the Regulations'), in force at the time.

The three disputed payments were made using the details Miss B provided to E on 31 July 2023, but she disputes that she authorised E to take those funds from her account. When she contacted HSBC to tell it about the disputed payments, it raised a dispute in response to which E refunded £116.24, which it passed on to Miss B. HSBC has explained that it didn't pursue the full amount because it had assumed the claim was resolved. It has since asked Miss B to provide more information to assist it to review the claim, but she hasn't provided any more information.

I've considered the circumstances and as Miss B didn't respond to HSBC's request for further information I'm satisfied there's nothing else it could reasonably have done to resolve her claim.

Compensation

HSBC has paid Miss B £100 compensation and in the circumstances I'm not persuaded that she's entitled to anything else.

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 Miss B to accept or reject my decision before 12 January 2024.

Carolyn Bonnell
Ombudsman