

The complaint

Miss A complains about security processes put in place by HSBC UK Bank Plc ("HSBC").

What happened

Miss A had a bank account with HSBC. She tried to make a payment to a charity using a debit card issued by a different high street bank, who I'll refer to as Bank A, at the end of November 2022. Miss A said that although she made the payment using Bank A's debit card, she believed it was HSBC who carried out security checks in relation to the payment. She said she believed the verification code she needed to confirm the payment through Bank A was sent by HSBC to an old phone number that she no longer has access to. Miss A said the payment was declined.

Miss A contacted HSBC the following day to ask why it was making checks for a payment she was trying to make through Bank A. The HSBC adviser was unable to access Miss A's account as Miss A failed security. So Miss A complained about the length of time it took for HSBC's automated message to move on to the next question; why HSBC was doing validation checks for Bank A; why HSBC was using an old telephone number; why it didn't provide contact details when it contacted her about the payment through Bank A; why she failed HSBC's telephone verification process; why it took so long to log her complaint and about being told she needed to verify her ID after failing security.

HSBC responded and didn't uphold Miss A's complaint. It said it had a telephone verification process in place so that it could be sure it had spoken to the authorised person. It said telephone banking staff had strict guidelines to follow when going through the security process which they were unable to deviate from.

Miss A remained unhappy and so brought her complaint to this Service. She said HSBC didn't respond properly to her complaint and failed to address all complaint points raised. She asked for £550 compensation, which was the amount of money she said she tried to donate to the charity.

Our Investigator didn't uphold Miss A's complaint. She said that the declined payment was made through Bank A, and so Miss A would've needed to contact Bank A if she wanted more information about why it was declined or the security checks that were carried out. Looking at the telephone security checks when Miss A rang HSBC, our Investigator said these were in place to protect consumers and the bank, and this Service wouldn't get involved in commercial decisions made about security processes.

Miss A didn't agree with what our Investigator said, so this came to me for a 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.

One of the complaint points brought to this Service by Miss A about HSBC was that she wasn't able to make a donation to a charity prior to a particular cut off date. But the payment was attempted using a debit card issued by Bank A and not HSBC, which means the payment is unconnected to HSBC. I know that Miss A said it was HSBC who contacted her to carry out verification checks on the payment in question, but from the information HSBC has sent to us, there is no evidence that it was HSBC who tried to carry out these checks.

If Miss A wants to know more about anything to do with the declined charity donation, then she would need to contact Bank A. HSBC did not issue Miss A with the debit card she said she used, and I have not seen anything that suggests it is responsible for anything to do with a payment made using Bank A's debit card.

Miss A also complained about HSBC having an incorrect phone number listed on its records for her. Miss A said she tried to change this several years ago. HSBC provided this Service with a contact log showing its contact with Miss A over a number of years. There's nothing in that log to suggest Miss A has changed her phone number with HSBC in the past few years.

If Miss A believes that HSBC has an incorrect phone number for her then she will have to contact it separately and change it - it's not for this Service to initiate that change. HSBC might want to take Miss A through some security checks in order for her to change her number so, as I said, Miss A will have to contact HSBC herself in order to make that change.

I know that Miss A was also upset that HSBC weren't able to answer her query about the charity donation being declined when she called it the day after she tried to make the payment. But this happened because Miss A failed the telephone security checks. While there's no doubt that it's inconvenient when this happens, HSBC have these security measures in place to protect both itself and its consumers. The stance this Service takes is that we will rarely interfere with reasonable security measures put in place by banks, and I see no reason to deviate from that stance on this occasion.

So given that Miss A failed the security checks, I think HSBC acted reasonably when it decided it wasn't able to speak to her about her account with it and when it told Miss A that she would have to provide it with identification before she could access her account using telephone banking.

Miss A complained about other issues such as the length of time it takes between automated questions on HSBC's phone line and about why it took a while for the HSBC adviser to log her complaint. However, having listened to the call with the HSBC adviser, I don't think that they took an excessively long time to log Miss A's complaint, and I could also hear that they took the time to explain the process of logging complaints to Miss A. So I don't think the HSBC adviser made any errors here. Also, how HSBC manages its automated phone line is a commercial decision that it is allowed to make and that I will not interfere with.

I know my decision will disappoint Miss A, but I am not asking HSBC to take any further action here.

My final decision

It's my final decision that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 25 January 2024.

Martina Ryan

Ombudsman