

The complaint

Mr U complains that HSBC UK Bank Plc (who I'll call HSBC) were unreasonable to reject a chargeback claim, and that they have caused him distress and inconvenience.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my 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 it will disappoint Mr U, but having reviewed the evidence in this complaint I don't think it would be fair to ask HSBC to pay any more compensation than the £100 our investigator suggested.

Where the information I've got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Mr U was unhappy that HSBC hadn't supported his chargeback claim. Since Mr U referred his complaint to this Service, HSBC have reviewed their position on that claim and they have refunded the outstanding £290; settling the claim in full and in Mr U's favour.

Mr U is still unhappy as he says HSBC have caused him distress and inconvenience. He's unhappy with our investigator's proposal that HSBC pay him £100 to compensate him for the distress and inconvenience caused.

I can see that Mr U was deprived of the money for about 180 days. HSBC clearly didn't assess the claim properly as they appear to have assumed the money the merchant had refunded was everything that was in dispute when it was only half of the disputed amount. Mr U says he was poorly treated at the branch he attended, and he's explained that he has been facing financial hardship and that his health issues have been exacerbated by the issue. HSBC have explained that Mr U's bank account doesn't show evidence of significant financial hardship, but they have agreed that mistakes were made and they're in agreement with the investigator's suggestion that they pay £100 in compensation.

Taking everything into account I am not persuaded that any more compensation is merited here. Whilst I understand and sympathise with Mr U's position I think the award is broadly in line with our published guidance on compensation for distress and inconvenience payments.

So, while I uphold Mr U's complaint I am only asking HSBC to pay him £100.

My final decision

For the reasons I've given above, I uphold this complaint and tell HSBC UK Bank Plc to pay Mr U £100 in compensation in respect of the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr U to accept or reject my decision before 31 January 2024.

Phillip McMahon
Ombudsman