

The complaint

Mr A complains that HSBC UK Bank Plc will not return £100 that he sent in error, and they did not pay him the switch incentive for switching his bank account to them.

What happened

Mr A says he made a payment to a wrong account in error, and he asked HSBC to recall the funds for him, but he says they refused. Mr A says they have provided him poor service and he has contacted them several times regarding the payment recall, but they still won't refund him the payment. He also says HSBC have not paid him the switch incentive for switching his bank account to them. Mr A made a complaint to HSBC.

HSBC did not uphold Mr A's complaint. They said they reviewed the payment and regrettably the recipient of the funds is not in the position to return these funds from their account. They said that as Mr A paid the recipient from a different bank account in his name in their wider group before the payment in question, this suggests Mr A knows the beneficiary, and they recommended he should contact them directly. HSBC said certain criteria had to be met to receive the switch incentive and as Mr A had opened a bank account in their wider group on 20 July 2022 and switched to HSBC on 23 December 2022, then he didn't meet the criteria as his account opened in the wider group was opened after the criteria date of 1 January 2019. Mr A brought his complaint to our service.

Our adjudicator did not uphold Mr A's complaint. He said looking at the terms of the account, it's clear that HSBC do not assume responsibility for the payment that customers make in error. He said HSBC looked into Mr A's request to refund the mistaken £100 transferred. however they have stated they are unable to do so as the recipient is not in a position to refund the amount. He said Mr A did not meet the criteria for the switch incentive. Mr A asked for an ombudsman to review his complaint. He asked for me to consider the poor service, lack of help, the inconvenience and the number of times he had to contact them.

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've considered what Mr A has said about the poor service, the lack of help, the inconvenience and the number of times he had to contact HSBC regarding the funds transferred in error. As Mr A made a payment in error, this would naturally cause him inconvenience to try and get these funds back. I can see that Mr A asked for a payment recall in his chat with HSBC on 27 January 2023. This was the same day he made the £100 transfer in error. But Mr A did not say which payment he wanted to recall on the chat, and the chat ended without him telling HSBC this information.

The terms of Mr A's account sets out HSBC's position on mistaken payments. Page 26 says *"We won't give a refund but we'll try to help you recover your money if you ask us to"*. So HSBC are under no obligation to refund this money to Mr A, but they would try and recover the money. As the funds were transferred to another HSBC account, then HSBC did not

need to involve any other banks here. It appears they attempted to recall the £100 for Mr A, but the recipient of the funds was not in the position to return these funds from their account. HSBC have said they let the recipient of the funds know about this. And although Mr A says the recipient of the funds has agreed for HSBC to return the funds from their account, it appears that they aren't in a position to return the funds from their account. So while I understand the impact this has on Mr A, I can't say that HSBC have done anything wrong here.

I can see that Mr A has asked HSBC to return the funds on several occasions. But as they are not obliged to refund the money to him, then I can't say the multiple contacts Mr A has made to them warrants compensation to be paid after HSBC has clearly set out their position on this. As Mr A says the beneficiary of the funds have agreed for HSBC to recall the funds, then he might want to see if the beneficiary can pay him directly if they have available funds to do so. But I can't say that HSBC have acted unreasonably in regards to not refunding Mr A the £100 back.

Mr A has said that he didn't receive the switch incentive which was available when he switched his bank account from a company in HSBC's wider group to HSBC on 23 December 2022. I've looked at this criteria and part of the criteria shows that customers will not qualify for the offer if they had opened an account with a specific company in their wider group since 1 January 2019. But HSBC have provided information that Mr A opened an account with the specific named company in their wider group on 20 July 2022. So Mr A would not be eligible for the switch incentive. So it follows I don't require HSBC to do anything further.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 6 December 2023.

Gregory Sloanes
Ombudsman