

The complaint

Ms C complains about the service she's received from HSBC UK Bank Plc surrounding payments made from her account that she says she didn't make or otherwise 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.

In May 2022 Ms C attended an HSBC branch to report several unrecognised transactions on her account. Ms C says the payments were as follows:

Number	Date	Amount	Merchant
1	12 May 2022	£38.95	D
2	12 May 2022	£34.99	H
3	12 May 2022	£84	D2
4	12 May 2022	£33.89	K

HSBC's notes record that Ms C was put through to their fraud team, but the line cut out. There is a suggestion that there was a further call between HSBC and Ms C on 8 July 2022. And here statements from that day indicate that HSBC made payments of £84 and £38.95 to Ms C's account. But also that the same amounts were then removed. There was also a credit (from HSBC) of £33.89. Ultimately on 9 June 2023 there was a further credit from HSBC of £157.94 to Ms C's account with regard to the disputed transactions.

Ms C complained to HSBC. She felt a complaint should have been raised about the disputed transactions back in May 2022. She was also unhappy as she says a branch staff member acted inappropriately by winking at her.

HSBC believe Ms C's financial loss has been compensated for. And they offered her £100 for any distress and inconvenience caused. Ms C rejected this and the complaint was considered by our service. One of our Investigators didn't recommend that the complaint should be upheld. Ms C disagrees and has asked for an Ombudsman to make 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.

I'll first deal with any potential loss to Ms C. The payment to H which Ms C has disputed doesn't appear on her statement. She has provided a picture of her phone with that payment showing as 'pending'. But having reviewed her statements, I can't see that it ever debited her account and therefore I don't think HSBC need to do more in relation to that payment.

HSBC seem to have accepted the remaining disputed transactions as being unauthorised as they have refunded them. Ultimately Ms C's account was initially debited with £156.84 (the sum of payments 1,3 and 4 from the table above) when the payments were made.

HSBC's actions on 8 July 2022 had the overall impact of refunding £33.89 (payment 4). The other refunds were immediately re-debited (something HSBC accepts took place in error) – meaning the loss to Ms C at that point was £122.95 (£156.84 less £33.89).

And then HSBC's final refund in June 2023 of £157.94 had the effect of putting Ms C in a better (financial position) by £34.99. I say this as the outstanding loss was £122.95 and the credit was greater than that amount.

So, I don't think HSBC needs to do anything further in relation to any potential financial loss to Ms C. I'm satisfied this has already been refunded. I have gone on to consider whether interest ought to be added. But as the additional credit is greater than the interest I'd consider awarding, I don't think that is appropriate in the circumstances here.

I've next gone on to consider the service provided to Ms C. I appreciate it would have been frustrating for her claim not to have been dealt with promptly. And Ms C had to chase HSBC to get this resolved. When HSBC provided their initial refunds (in June 2022) they made an error when re-debiting two of them. Whilst this error ideally shouldn't have happened, Ms C didn't make HSBC aware of it until 2023, at which time they acted swiftly. So I don't think HSBC are responsible for the time taken to put things right.

Ms C also says that a branch staff member acted inappropriately and winked at her. In cases like this where I wasn't present, I can't know for sure what happened, any decision I reach must be made on what I think, on balance, most likely happened.

HSBC say they have no record of this being raised with them at the time. And their ability to investigate this would have been impacted by the time Ms C took to raise it with them (although I appreciate some of the delay was as Ms C says she was hospitalised). But overall taking everything into consideration I haven't seen any evidence that persuades me that there would've been a reason for a branch staff member to wink at Ms C. Especially when weighed against the risk to the member of staff of potentially losing their job.

Please be assured that I'm not saying Ms C hasn't been truthful. Simply that given the passage of time it is also very probable that she could be mistaken in her recollection. So, I'm not persuaded that this is something HSBC should pay additional compensation for.

Ms C has also raised her concerns about other aspects of the service she received, these include the branch not registering a complaint for her when she wanted them to, and the time taken to obtain a replacement debit card. She also believes HSBC are responsible for her getting into debt and that they've impacted her credit file. As the disputed transactions didn't take Ms C into an overdraft, I don't think anything HSBC did in relation to this negatively impacted her credit file or caused her to go into debt. I've taken all of the above into consideration, as well as the fact that Ms C believes around £2,000 compensation to be an appropriate amount. I've considered Ms C's individual circumstances and the impact HSBC's errors had upon her. And having done so, I agree with our Investigator that £100 compensation is a fair amount to put things right.

If Ms C would now like to accept this from HSBC, she should contact them to arrange this (unless it has already been paid).

My final decision

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 16 November 2023.

Richard Annandale
Ombudsman