

The complaint

Mr S is unhappy that HSBC UK Bank Plc didn't warn him that registering a new mobile phone number for online banking could mean a delay in his ability to access mobile banking.

What happened

Mr S banked with HSBC. On 6 May 2023 he found himself unable to use his mobile banking and was advised to call HSBC, which he did. In order to fix the problem, HSBC needed to reset his mobile banking. This required an activation code to be sent to his registered mobile number.

Unfortunately, Mr S didn't have the mobile phone that was registered with HSBC with him at that time. Mr S explained to our Service that it wasn't far away. The HSBC representative offered to change Mr S's registered mobile number and Mr S agreed. However, the process of registering a new mobile number with HSBC takes time and this meant the activation code couldn't be sent until the process was complete. Mr S remained unable to use mobile banking and so he raised a complaint.

HSBC suggested Mr S could unregister his account and set up a new one, but Mr S refused as this meant losing all of his saved information including things like payees.

It took five days for Mr S's new mobile number to be authorised for use and he gained access to his mobile banking app on 11 May 2023.

HSBC looked into his complaint but didn't uphold it. It apologised for the frustration but said the call handler had followed procedure.

Mr S remained unhappy and brought his complaint to our Service. He told us that in resolution to his complaint he wanted HSBC to take responsibility for its actions and change its process to ensure this wouldn't happen again. He also wanted HSBC to apologise and compensate him for the time spent on the phone and the frustration caused.

In an effort to proactively resolve Mr S's complaint, HSBC offered £50 as it acknowledged it could have warned Mr S there could be a delay caused by changing his number. Mr S didn't feel this was enough compensation and stressed that he wanted an apology letter and confirmation this wouldn't happen again to any other customer.

As the matter couldn't be resolved, our Investigator looked into things and was of the opinion the £50 offered by HSBC was fair in the circumstances. They said that it would have been better if HSBC had alerted Mr S to the possible delay before changing his mobile number. However, they noted the line was bad and the HSBC agent couldn't properly hear Mr S.

Mr S didn't agree. He said he wanted an apology and for HSBC UK Bank Plc to change its procedure so that it warned customers of the consequences of changing their contact details. He highlighted that if he'd been abroad, he would have had massive roaming bills to pay and an incredible amount of stress as he wouldn't have been able to access his account.

The complaint was passed to me to decide. After reviewing things, I thought it was likely I'd reach a different outcome to our Investigator, so I issued a provisional decision to ensure both HSBC and Mr S had the opportunity to respond before a final decision was made. In brief, I said that HSBC ought to have warned Mr S of the delay before it changed his number and had it done so, I think Mr S would have chosen to wait. So, I thought it ought to pay Mr S £100 for the distress and inconvenience caused.

HSBC didn't have anything further to add following my provisional decision.

Mr S stressed that he wanted HSBC to change its process to ensure this didn't happen to other customers in the future. In response, I clarified that I thought HSBC had clear guidance to warn customers in advance and what went wrong here was that this guidance wasn't followed. So, I didn't think the process was unfair to customers. Mr S said he was happy with this.

I'm now in a position to issue a final decision on this complaint.

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 have reviewed the evidence and listened to the call between HSBC and Mr S on 6 May 2023.

Firstly, I think it's important to highlight that the call line dropped in and out. It's evident the HSBC call handler struggled to hear Mr S at points and even suggested he call back at one stage, but Mr S wanted to continue with the call.

Mr S explained he was trying to gain immediate access to his mobile banking. And I'm also satisfied Mr S told the HSBC call handler that he didn't have the registered phone with him but that the phone remained active. However, the call indicates the HSBC advisor didn't hear that the number was still active.

It was the HSBC call handler that suggested changing Mr S's number. Given that I'm not persuaded she was aware the old number was still active, I think this was a reasonable suggestion in the circumstances.

I appreciate that for security reasons the call handler couldn't tell Mr S how long the change would take, but what she could have warned Mr S about was that the change would have meant HSBC would be temporarily unable to set up mobile banking. Indeed, having reviewed HSBC's procedure, I think she ought to have warned Mr S of this in advance. The procedure states this should be done before any change is made. And had she done so, this would have allowed Mr S to make an informed decision about whether to change the registered number. So, I do think the call handler made a mistake here and didn't follow the guidance.

I note that Mr S was able to gain access to the original registered number whilst still on the phone to HSBC, around twenty minutes into the call. So it's clear that this phone wasn't far away. Which means, on balance, I don't think Mr S would have changed his number if he'd understood this risk.

This means I think the five day period where Mr S was unable to access his mobile banking could have been avoided. And so I've thought about the impact of this on Mr S when considering how HSBC should put things right.

Mr S was still able to use his online banking during this time and I have heard on the call recording that HSBC also offered to make any payments etc that he needed to make over the telephone. So, I think Mr S was still able to manage his finances during this time. However, I recognise he's indicated these methods were less convenient for him. And Mr S explained on the call to HSBC that he uses mobile banking quite a lot.

I note Mr S has also highlighted within his complaint this could have been a major issue had he been abroad. I think it would be helpful to explain that our Service's role is to put consumer's back into the position they would have been in had the error not happened. So, we wouldn't award for what could have happened, only the distress and inconvenience that actually occurred.

As well as not being able to use his mobile banking for five days, Mr S also had to spend some time on the phone to HSBC raising the issue and his concerns and sending follow up emails. It's evident Mr S was very frustrated by this and the way HSBC had handled things.

I note HSBC already offered to pay Mr S £50 to recognise the fact it could have warned him of the consequences of changing his number. Taking everything into account, I think it needs to increase this and that it should pay Mr S £100 in total for the distress and inconvenience its error caused.

My final decision

My final decision is that I uphold this complaint and direct HSBC UK Bank Plc to pay Mr S £100 for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 5 February 2024.

Jade Cunningham
Ombudsman