

## **The complaint**

'A', a limited company complains that HSBC UK Bank Plc didn't deal with it being unable to access online banking and says that this has resulted in costs and inconvenience.

## **What happened**

In August 2021 an official of A was unable to access online banking. He contacted HSBC and was sent a replacement security device. But he says he didn't receive a security code that was needed to activate this. He filled in forms to reset his online details several times. And he says this required him travelling to obtain the director of A's signature and then going to a branch. He has claimed £3,128 of related expenses. He says he didn't have access from 25 August to 12 December 2021.

HSBC said that it accepted that one of the 'Offline Details Reset' (ODR) forms was blank. And that it hadn't noticed this and told A about it. So, it paid A £100 in compensation. It said that this official was successfully assisted to log in online again on 5 November 2021. And that the director of A was an additional user and had access to online banking during the period.

Our investigator recommended that the complaint be upheld in part and A be paid a further £150 for inconvenience. She noted that A had been sent a new device on 2 September 2021 and a message with the security code. The official had contacted it for another code on 9 September 2021. The official called a number of times. HSBC had documented that it had sent out further codes when requested. The email contact details for the official for his access to online banking were out of date. And this would have stopped information getting through. While it was fairly up to A to keep its details up to date, she thought that given the repeated contact HSBC might reasonably have been able to identify this was the issue earlier on. She hadn't heard in the call recordings we'd been sent that A had been told to go to a branch. There had been some confusion as there were two issues here. The ODR was required to reset security and that was separate to the requirement to register the new device which could be done with a code. And given the issue with the email she recommended the additional compensation. She didn't think any other payment was warranted.

A said it didn't agree that things were sorted out by 5 November 2021. It understood its responsibility for the contact details. But a letter about its complaint had gone to the correct email address. A wanted an ombudsman's review. It wanted to be compensated and would otherwise consider court action.

## **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 listened to the call recordings provided between the official of A and HSBC. I note that HSBC, despite a further request, wasn't able to provide a copy of the call recording of 5 November 2021. In any event as our investigator says it is now apparent that there were two

issues. The official of A had been sent a replacement security device and this needed to be registered with a code. But if the official had also been locked from the account and was unable to reset his password using the online function he'd need to complete the ODR.

A number of ODRs were completed. And each time A was told that they would be actioned within two to three business hours and that an email would be sent about this with the details necessary to proceed. A never received the email. And it is clear that this was because the email registered with Internet Banking was one that was no longer in use. It is also apparent that the submission of a new ODR form meant that the official couldn't clear security on the telephone and that any past agreements to reset security were superseded.

I note from a copy of the ODR form that A has supplied that it didn't need to be taken into a branch but could be uploaded online. In a call on 21 September 2021 the official had told HSBC that he'd been to a branch the day before with the form because he couldn't upload it himself. And if security on an account is locked and can't be restored then the form would need to be completed in line with the signing mandate for the account. I don't see that HSBC was responsible for the account being locked in the first place and so arranging for the form to be completed was something A would be reasonably expected to do.

My understanding is that A was able to receive text messages to the number registered. The official referred in a call on 29 October 2021 with the internet banking team to having received such a message. But when during the call he attempted to get online there was a message that the password was incorrect. And when he tried to click a link that he'd forgotten his password he received a message saying reset the security details. So, it seems that at issue from his contact with HSBC from 20 September 2021 was the account being locked. That's why A had submitted an ODR form that day. And when it contacted HSBC the next day it referred to having been told in branch that this would be addressed within two to three hours. That hadn't happened and a complaint was raised. It seems that the correct email address was taken for the complaint. But that in itself didn't mean that the contact information for internet banking would be changed. I'm also not clear it could have been while the account was locked.

Having not had the promised response to the ODR form the official contacted HSBC and also arranged for further forms. One of the forms was blank when received and HSBC accepts it didn't tell A about this. The others seemed to have been dealt with. And also, in the call on 29 October 2021 with the internet banking team one was said to have been approved on 26 October 2021. But by then there was a further one outstanding.

The information from HSBC documents that the official of A was able with assistance to log in on 5 November 2021. And that was after the contact email had been changed on the account. I don't see any other steps had to be taken after that. But I don't doubt that as the official says he also spoke to someone in the internet team on 12 December 2021 to assist with logging in then too.

The root causes of the issues were the security device needing to be replaced which isn't uncommon, the account being locked it seems by incorrect password or security information being entered and that the email address for the account wasn't up to date. These were all areas that HSBC needed to assist A with. It did follow its normal process. And I agree that as A said it wasn't receiving emails – an ongoing problem here – there was an earlier opportunity for this to be resolved. The official of A didn't realise that the details which had been registered some years earlier were out of date.

I need to think about compensation for what happened. A substantial part of the claim appears to be fees that the official would have claimed from A for the time involved. We only look at the impact on A here as it is a separate legal entity. And even if these fees had been

charged by the official to A we wouldn't generally make awards based on units of time and nor at professional rates. A didn't seem to have to go to a branch to submit a form and I didn't hear him being told to do so in any of the call recordings I've listened to. In any event it was reasonably down to A to get the form completed if needed and submitted as it chose to do. And as I've set out the reason that more forms were submitted was either because one was blank, or the response hadn't been received. I don't consider I can fairly hold HSBC responsible for the related expenses A refers to.

I know that the official needed to access the account online. He was able if he wanted to make payments using telephone banking. And the director of A - the other user - had active access to the account during the period which could help mitigate the impact here for A.

Having balanced all the factors I consider that the further compensation for inconvenience recommended by our investigator is reasonable. This reflects that HSBC might have been able to help resolve this earlier. And in reaching that view I again take into account the root causes of what happened. So, the further compensation is £150 and combined with what has been paid makes a total of £250.

If A doesn't accept my decision it remains free to pursue this matter in court subject to any time limits as it has indicated it may do.

### **My final decision**

My decision is that I uphold this complaint in part, and I require HSBC UK Bank Plc to pay A a further £150 making total compensation of £250.

Under the rules of the Financial Ombudsman Service, I'm required to ask A to accept or reject my decision before 7 October 2022.

Michael Crewe  
**Ombudsman**