

The complaint

Mr F is unhappy that HSBC UK Bank Plc gave him poor customer service when he experienced issues with mobile banking.

What happened

On 1 May 2022, Mr F wrote to his local branch asking for assistance with issues he was experiencing using his banking app which he'd recently downloaded on his iPad.

Mr F explained the banking app never opened at the first attempt and frequently required three or more attempts. He was also unable to use his secure key to access his online banking as he needs to generate a code using the banking app, rather than the secure key which he used in the past.

When Mr F didn't receive a response, he wrote to his local branch again on 22 May 2022. He then sent another letter to raise a complaint on 13 June 2022. HSBC replied to Mr F's letter on 12 June 2022 and asked him to visit a branch with identification to resolve the issues with his online and mobile banking.

HSBC tried to speak to Mr F regarding his complaint on 12 July 2022. But Mr F didn't wish to proceed with the call due to concerns that there had or could've been a breach of his data. So, HSBC issued their final response letter.

In summary, HSBC explained that they couldn't divulge any information during the phone call until Mr F had completed their outbound security process which they have in place to safeguard customers, their account and themselves from fraud and financial crime.

HSBC explained that Mr F's secure key is now accessed via the banking app, so the physical secure key is no longer compatible following a recent upgrade to their digital security platform. They told Mr F that he could switch back to the physical secure key, but he wouldn't be able to use the banking app going forward.

They also said they were aware of intermittent occurrences of the banking app running slowing and not launching as they'd expect. They explained that their IT team were working hard to find fixes as soon as possible but they couldn't provide any timescales or notify him when the issues were resolved. They accepted it impacts the usability of the banking app and apologised for the inconvenience caused.

They said that they were able to locate Mr F's letter of 22 May 2022 which they'd responded to on 12 June 2022. But they accepted their response was standardised and they could've included more information to answer Mr F's query. They apologised, assured him they'd record his feedback to improve their service going forward and offered him £50 compensation for the inconvenience caused.

Mr F referred his complaint to our service. Following our involvement, HSBC increased their offer of compensation from £50 to £150. Our investigator explained that we couldn't ask HSBC to change their security policies and procedures. But in summary, he agreed the

service Mr F received could've been better and thought the compensation offer of £150 for the inconvenience caused was fair and reasonable. Mr F disagreed and asked for the complaint to be reviewed by an ombudsman.

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.

Mr F has explained his concerns around disclosing personal information over a call which he wasn't expecting to receive. Given the increase in scam calls, it's understandable that he wants to remain cautious. He has suggested a solution to HSBC which he believes would reassure customers that the caller is genuine.

HSBC are entitled to make commercial decisions on how they carry out their day-to-day business. This includes deciding whether to implement Mr F's suggestion or make changes to how they verify customers.

As an informal service, we can't tell banks, like HSBC, how to operate their business more broadly or interfere with their policy decision, such as their security process. We're also unable to ask HSBC to review their procedures. This is the role of the financial service regulator, The Financial Conduct Authority.

Focusing on Mr F's complaint specifically, I'm satisfied that HSBC followed their outbound call procedures. They explained that they ask for some of the customers personal information but provide part of the answer to help maintain confidentiality. They also reassured Mr F that they wouldn't ask for any details which would leave him or his account at risk. So, I can't agree HSBC treated Mr F unfairly.

The issues Mr F reported with his banking app in his letter of 1 May 2022, is consistent with the problems HSBC were aware of – the banking app running slowing or needing attempts to load.

Mr F wasn't able to use his physical secure key with online banking as it wasn't compatible after downloading the banking app. This meant Mr F had to rely on his banking app. I can understand why it would've been annoying and frustrating to come across these issues.

HSBC have now informed Mr F that their IT team are working on fixing these issues as soon as possible. They've apologised for the inconvenience caused which is what I'd expect them to do.

Mr F was also given the option of switching back to the physical secure key. This would then have given him the ability to use online banking avoiding the issues with the banking app while it was still being fixed.

And although the banking app had problems with launching, Mr F was still able to use it. He also had the option of using telephone banking or visiting a branch, so he retained access to his account and could carry out any transactions as usual, albeit not using his preferred channel of banking.

Mr F is disappointed that HSBC won't notify him when the issues with the banking app are fixed. He has raised a fair question – how would he know when the issue is resolved, if HSBC don't update him?

HSBC have explained it's not feasible for them to provide updates on every error and system issues they experience given that it may affect some customers but not all of them. While I agree it would be helpful for HSBC to notify Mr F, I don't think this is unreasonable that they aren't able to do so for the reasons they've given.

Mr F could contact HSBC from time to time to check if the issues with the banking app are resolved or equally, he'd become aware while he's using his banking app which I understand he's continued to use. I accept this would cause Mr F some minor inconvenience and frustration, but the impact of this is minimal and not more than the normal nuisances you might expect from everyday life.

HSBC have said that they didn't receive Mr F's letter of 1 May 2022 as it was sent to a branch. They've explained they aren't able to guarantee safe delivery or that these types of requests can always be actioned.

Mr F has told us he wrote to his local branch as he'd received a letter from HSBC in 2021 which explained that his then local branch was closing, and his account was going to be administered by a different branch going forward. And since Mr F's query was administration related, he wrote to the branch after not receiving a response from the online secure messaging and technical helpline.

I note that the terms and conditions set out that customers can contact HSBC by post – although to their customer service centre rather than a branch. I don't think it's unreasonable to expect that Mr F's letter sent to his branch would be forwarded on to the customer service centre or another department to action if the branch couldn't deal with the request.

However, HSBC have encouraged Mr F to complete future banking enquiries via online, mobile, telephone banking or by visiting a branch which he may wish to do going forward to avoid any problems.

HSBC received Mr F's letter dated 22 May 2022 which they responded to on 12 June 2022. I've looked at the response provided, and I agree the information given wasn't helpful, particularly since Mr F didn't need to visit a branch to have his query resolved. This meant Mr F didn't get an answer to the problems he raised in his letter of 1 May 2022 until 12 July 2022 which I think is an unreasonable delay causing Mr F unnecessary distress and inconvenience. But I'm satisfied HSBC dealt with Mr F's complaint of 13 June 2022 within the timescales expected.

To put things right, HSBC have apologised, said they'd pass feedback to improve their service going forward and initially offered £50 compensation. But they later increased this to £150. Having considered the impact of the customer service issues on Mr F, I'm satisfied this is a fair amount of compensation to reflect the distress and inconvenience he's been caused.

I appreciate Mr F isn't seeking compensation but wants HSBC to take customer service seriously. I hope HSBC will take on board the feedback from Mr F's complaint as they said in their final response letter. However, the award of £150 compensation is to recognise the impact of the customer service issues. I'll leave it to Mr F to decide if he wishes to accept.

My final decision

For the reasons explained above, my final decision is that HSBC UK Bank Plc should pay Mr F £150 compensation to fairly resolve this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 2 January 2023.

Ash Weedon
Ombudsman