

## **The complaint**

Mr S complained that HSBC UK Bank plc gave him incorrect information about a £19.99 transaction which he had queried.

## **What happened**

On 20 January 2023, Mr S contacted HSBC through chat. He asked for more details about a £19.99 payment from his account on 12 January, which he said he didn't recall. HSBC's adviser said it had been an online payment that was originally made on 10 June 2022, for a direct marketing catalogue merchant. The adviser provided the name of the company, and said it might have been for a magazine purchase.

Mr S replied that 10 June was a very long time ago, and he didn't remember making any magazine purchase. He was told to ring HSBC's fraud team. Mr S rang the fraud team and they discussed the transaction. Five minutes into the call, Mr S realised that he did recognise the transaction, which he said he remembered was for a toy, and which he had authorised himself on 10 June.

Mr S then said to the phone adviser that he wasn't happy about the chat adviser. He said that six years previously, there had been a fraud on his account with £10,000 being taken from his account, when he said HSBC had let him down. He said the chat adviser giving him incorrect information had brought back memories of that, and he'd been very anxious. He said that six years previously he hadn't been aware of his rights. The adviser tried to look back to the 2017 transaction, but she didn't have access to the information. She transferred him to another team.

Mr S asked the new adviser why HSBC hadn't provided him with the details of the recipient bank in 2017. The adviser said the scam had been investigated at the time and he'd had a response, which had said that Mr S had authorised the payment so it wouldn't be possible for HSBC to refund him. Mr S said he was now more mature and wanted to know exactly what the policies were, and it was his right to know. He wanted the adviser to log a complaint, saying the chat adviser had given incorrect information, which had caused him distress because he'd previously been a victim of fraud.

HSBC didn't uphold Mr S's complaint. It said it had reviewed the chat logs and could see no errors made by its staff. It said that it was sorry for any undue stress that may have been caused, but its staff member had dealt with his enquiries in line with HSB's policies and procedures.

Mr S wasn't satisfied and contacted this service.

Our investigator said that Mr S's bank statement didn't show any record of a £19.99 payment on 10 June 2022. So he could understand why Mr S was confused by what the adviser said. The chat also hadn't provided details about whether the payment was a subscription, or recurring payment, which caused uncertainty for Mr S. The chat adviser had also told him to contact the fraud team, which caused inconvenience. But as Mr S had been able to confirm the same day that the payment was genuine, it had quickly been put right and there was no

financial loss involved. The investigator upheld Mr S's complaint and thought that £50 would be fair compensation.

Mr S wasn't satisfied. He said he expected at least £150 compensation. He said it was about his bank having provided incorrect information, inconvenience, distress, poor customer service, and the fact HSBC had dismissed his complaint. He said it wasn't about financial loss. Mr S said it had lasted more than a few days, but was actually weeks in terms of distress and inconvenience, and it had also taken time and effort to report to this service, and he felt we hadn't understood the level of his distress. He said he wanted more compensation.

Mr S said he wanted an ombudsman's 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.

The facts of Mr S's complaint aren't in dispute, and I've set them out above. So my decision relates to what compensation, if any, HSBC should pay Mr S.

When this service considers compensation, we look at two factors: financial loss, and compensation for distress and inconvenience.

Mr S didn't suffer any financial loss, because he had authorised the disputed transaction himself.

Looking at compensation for distress and inconvenience, the events show that Mr S disputed the transaction through chat at 12.40am on 20 January. It was closed by the adviser at 1.24 am because Mr S hadn't replied, and he picked it up again at 7.16am. He was then told to ring the fraud team. That conversation took place early in the afternoon and that was when Mr S realised the £19.99 payment had been a genuine transaction. So the length of time when Mr S might have been worried that this was fraudulent was relatively short. I don't think that HSBC did anything which meant it could have been resolved more quickly. I also find that it was reasonable for HSBC to have told Mr S to ring its specialist fraud team, when he disputed the transaction.

Mr S is critical of the chat adviser, who gave him the name of the direct marketing merchant, and the registered company name, and said it might have been for a magazine purchase. In fact Mr S later realised it was a genuine transaction and told the next adviser that had been to buy a toy. But I don't think the chat adviser intended to be misleading, and it's possible that she said it "might have been" a magazine in order to be helpful and possibly jog a customer's memory. The adviser wouldn't have had information about what the payment was for, just the recipient organisation. So I don't think she acted wrongly when she suggested that it might have been for a magazine.

It could have been helpful if the chat adviser had said whether it was a one-off payment, or a subscription, which might have helped Mr S identify the payment. It could also have been helpful to have explained some possible reasons why the payment might have taken so long to reach the account – for example if an item purchased had not been available immediately, or other reasons – which might have helped Mr S identify the payment. I consider that the £50 compensation recommended by the investigator is very fair for this.

I recognise that Mr S says he had been scammed six years earlier, and this had an impact on him. I'm sorry to hear that anyone has been a victim of a scam. But I can't consider the

circumstances of that occasion. After Mr S realised the £19.99 payment was genuine, his focus switched to the previous complaint, and discussion about that features significantly in Mr S's complaint calls with HSBC in relation to this complaint. The phone recording says that Mr S had received a final response to that previous complaint at that time. I don't know whether or not Mr S took that complaint further. But either it would have been considered at the time, or the opportunity to bring that complaint to this service would have expired some years ago. So I can't consider anything about that earlier complaint – for example whether HSBC acted rightly or wrongly at that time - in relation to this issue.

While I recognise that anyone who has been the victim of a fraud is likely to be anxious about it happening again, I can't agree that a scam six years earlier is a reason why Mr S should receive additional compensation for a different issue now. Compensation relates to what a bank has done wrong and the impact it has caused. This complaint relates to a £19.99 transaction which was resolved as genuinely carried out by Mr S within 24 hours of raising it. Although Mr S has argued that the distress lasted much longer because he chose to complain and chose to contact this service, I don't consider the distress could reasonably have lasted longer than the time during which he thought he might have been scammed again. That was around 24 hours. So I consider that higher compensation here would be disproportionate.

Mr S was clearly unhappy and assertive when he spoke to the later advisers about the impact he'd felt because of the fraud six years earlier. But HSBC's advisers dealt with his comments calmly, so I don't consider it would be reasonable to award additional compensation for the way HSBC handled Mr S's complaint.

So I consider that £50 compensation is fair and reasonable in all the circumstances of this complaint.

### **My final decision**

My final decision is that I order HSBC UK Bank plc to pay Mr S £50 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 12 June 2023.

Belinda Knight  
**Ombudsman**