

The complaint

Mr L complains that HSBC UK Bank Plc (“HSBC”) didn’t provide him with requested information and so, he says this resulted in him losing an appeal in court.

What happened

In June 2019, Mr L paid a company I’ll call “S” to provide a training course to him. Payments totalling £2,293 were made to S between September and November 2019.

In November 2019, Mr L undertook a test to enable him to pass the course. However, the test was failed and the examiner stated Mr L didn’t achieve the required standard. A further test was booked, but this didn’t go ahead due to a problem with the equipment supplied during the examination. Following this cancellation, Mr L complained to S and said neither of the tests should have gone ahead due to the equipment not being fit for purpose and the conditions being unsuitable. He sought recovery of the costs he had paid to S.

S said it provided a refund of the retest to Mr L as it couldn’t go ahead on the day, due to the cosmetic issues with the equipment and the conditions of the grounds. S said it didn’t think any other refunds should be paid to Mr L.

In December 2019, Mr L complained to HSBC and said that the equipment used during the training course was not fit for purpose and so, he couldn’t take a test to enable him to pass any training he had received. As a result of this, HSBC raised a chargeback for the transactions made by Mr L to S.

In February 2020, HSBC confirmed that it had credited a total of £2,293 to Mr L’s account whilst it investigated the dispute. It said S had 30 days to respond and HSBC would let Mr L know whether his dispute was successful. In March 2020, following pre-arbitration, the chargeback was successful and the credit to Mr L’s account was made permanent.

Sometime later, S took legal action against Mr L to overturn the successful chargeback. Mr L has told this service that the court confirmed its decision to uphold S’s claim against Mr L in August 2022 and so, he was ordered to repay the funds plus court costs to S.

Mr L says following the court’s decision, he contacted HSBC and requested it provide him with some information. However, he said this information was not forthcoming.

In January 2023, HSBC issued its response to Mr L’s complaint in January 2023. It apologised for not getting back to Mr L with the information he had requested. It paid Mr L £75 compensation in recognition of this and the service it had provided.

Unhappy with this, Mr L referred his complaint to this service. He reiterated his complaint but said HSBC should refund his court costs. He said if HSBC had provided him with the requested information, he could have used this for his appeal which was in late December 2022. He said HSBC should have sent him information with S’s heading and its signature rather than Mr L’s name and email address. He said this could have made a difference to his appeal.

Our investigator looked into the complaint and thought HSBC should increase its offer of compensation to £150. HSBC agreed but Mr L disagreed.

Mr L said he should be awarded around £4,000 compensation which was his loss.

Our investigator said this service couldn't consider the action S had taken against Mr L through the courts. He said he thought HSBC's offer to pay Mr L a total of £150 was fair and reasonable. He said he could see Mr L had requested information from HSBC on two occasions and he explained this was provided within 15 days and three days. He said HSBC's offer fairly reflected the number of days it took to provide the information.

Mr L disagreed. He said he had requested information from HSBC before late December 2022 and he called HSBC before his original court trial in July 2022. He said he wanted the information before the appeal, not after it.

Our investigator said he couldn't see that Mr L had contacted HSBC to request information before December 2022.

As Mr L remains in disagreement, the complaint has been passed to me to decide.

Mr L has told this service that a court judgement has been issued which was awarded in S's favour. In light of this, this decision won't comment on the outcome of chargeback.

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 read and considered the whole file and acknowledge that Mr L has raised a number of different complaint points. I've concentrated on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it – but because I don't think I need to comment on it in order to reach what I think is the right outcome. The rules of this service allow me to do this.

What I need to decide in this case is whether HSBC provided Mr L with the information he requested and if it did, whether it did this in a reasonable amount of time.

Mr L says he requested information from HSBC in around August 2022. He's provided us with his phone bills to show calls were made to HSBC and HSBC have provided this service with a number of calls. I've listened to these calls.

It appears Mr L initially took out a contract with S to provide him with training. Following this in June 2022, Mr L took out a separate contract for training with a business I'll refer to as "P".

In mid-August 2022, Mr L called HSBC and wanted to make a claim for the contract with P. During this call, he also mentioned his contract with S. He asked HSBC whether S had acted correctly by taking him to court instead of HSBC or the merchant acquiring bank. He said he didn't make the chargeback, HSBC did and so he hadn't clawed back the money. HSBC said it didn't know and it wasn't its area of expertise. So it suggested Mr L obtain independent legal advice. HSBC said it couldn't change a judge's decision but pointed Mr L in the direction of this service.

Mr L didn't mention the dispute against S until late December 2022. Although he did contact HSBC a number of times about his claim against P and other matters unrelated to the dispute against S.

In late December 2022, Mr L called HSBC and spoke about his dispute against S. He told HSBC that the judge had awarded S its money back. He said he had appealed and said that S should pursue HSBC as it took the money back. He said the judge had told him to ask HSBC. HSBC said it would look into this. It attempted to do this over a number of calls the same day. During the last call on that day, HSBC said it wasn't for it to comment on the matter and it would be difficult for it to put it in writing that S couldn't take Mr L to court. HSBC said it would look into the matter and get back to Mr L.

Around two weeks later, in January 2023, HSBC called Mr L. HSBC had looked into the questions Mr L had raised and explained how the chargeback process worked. Mr L asked if

there had been a legal breach by the courts ruling in favour of S. HSBC said it couldn't answer this and Mr L would need to take independent legal advice. Mr L confirmed he would be appealing the decision. HSBC said it would send Mr L some information which may potentially help his case, but it would not be providing any legal advice.

Having reviewed all the calls, it's clear that Mr L initially queried whether S was allowed to take him to court instead of HSBC in August 2022. But HSBC told him he would need to take independent legal advice. I think it acted fairly here. Mr L asked the question again in December 2022 and when HSBC couldn't answer the question straight away, it looked into this and provided the information two weeks later. This is the information Mr L requested. So in light of this, I don't think HSBC acted unfairly here, as they had already answered Mr L's question in August 2022 when he initially queried it. However, I think HSBC should have answered this query sooner than it did.

In March 2023, Mr L asked HSBC to resend the supporting information it had sent him in January 2023, showing that it had been provided by S. He also said that he had received a judgement awarding S costs and asked HSBC whether it or the merchant acquirer would be paying it. HSBC sent the information Mr L requested by email two days later. HSBC also reiterated that the court involvement was a civil matter between Mr L and S and HSBC had no involvement in it.

Having thought carefully about this, I can see that Mr L requested information and HSBC provided it within two days. So I'm satisfied that HSBC provided the information within a reasonable amount of time. I've seen no other supporting information to suggest that Mr L requested information about his dispute against S, outside the instances in August and December 2022 and in March 2023. So, it follows that I think HSBC fairly responded to Mr L's information requests.

Delays

I think HSBC should have answered Mr L's query concerning whether S should take HSBC to court instead of him, sooner than it did. I say this because it had already provided Mr L with this information when he initially requested it in August 2022. So I think it should have been able to provide this information quickly to Mr L when he questioned it in December 2022. HSBC told Mr L it would contact him within 24-48 hours, but didn't contact him until two weeks later. I think it should have contacted him within the time it said it would and I don't think it should have taken HSBC two weeks to provide this information.

I'm not satisfied this meant Mr L was unable to appeal the judgement the court had arrived at, as he told this service the appeal was heard the day before he made the calls to HSBC in December 2022. Mr L also mentioned to HSBC in January 2023, that he would be appealing the judgement. However, HSBC had already told Mr L he would need to take independent legal advice. And when Mr L requested information in March 2023, it was provided within two days. In any event, this service cannot comment on what the likely outcome of a case in court would have been at appeal, regardless of whether information was provided or not.

Having said this, I think that HSBC could have provided better customer service in its calls in December 2022. I've listened to a number of calls that took place on the same day and it's clear that the case handlers didn't always understand Mr L's query. I note that some calls were cut off whilst they were transferred internally and Mr L was required to spend a substantial amount of time explaining his query over and over again. I'm satisfied HSBC's service could have been better here.

Having considered this carefully, I think HSBC should pay Mr L a further £75 for the distress and inconvenience caused to him during the two week delay in providing information and the service it provided in December 2022.

My final decision

My final decision is that I direct HSBC UK Bank Plc to pay Mr L £75 in addition to the £75 it has already paid to Mr L, for the distress and inconvenience caused to him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 21 December 2023.

Sonia Ahmed
Ombudsman