

## **The complaint**

Mr C is unhappy with the issues he experienced when he tried to use his HSBC UK Bank Plc (trading as first direct) debit and credit cards to purchase fuel.

## **What happened**

In July 2023, Mr C attempted to use his debit and credit card to purchase fuel, but he says both cards didn't work. He explained he tried both cards on a different pump, but the payment still didn't go through. He then used a card from a different financial provider and was successfully able to complete the transaction. He also said that other customers at the fuel station didn't have any issues.

Mr C contacted first direct but they explained they hadn't declined the transactions on the debit and credit cards. They explained it was likely a problem with the retailer. Mr C felt that first direct were at fault as the card from a different financial provider had worked, so he asked to raise a complaint.

first direct recognised it must have been embarrassing and frustrating for Mr C but assured him that the card transactions weren't declined by them. They also confirmed that there were no blocks or markers on Mr C's card which would've required them to complete any additional checks prior to him being able to use his cards.

first direct also explained that if they'd declined a transaction, they can see this on their system and provide the reasons for doing so. But they said their system showed that the transactions were approved but later reversed. They said that when purchasing goods using a card, the elements involved are the card details, the retailer's terminal and the electronic link which goes between the retailer's terminal and the authorisation centre and back via the same method. They concluded that when the transactions were attempted, although they approved them, there was a problem with the link from the authorisation centre back to the retailer which may have caused the issue.

first direct said these are outside their control but acknowledged the inconvenience caused. They also apologised for the upset this matter had caused. Unhappy with this, Mr C referred his complaint to our service. He didn't feel the reasons given by first direct were acceptable. He doesn't think it's right to blame the system used by the fuel station or their terminal as his card from a different financial provider worked. He believes the fault lies with first direct's banking software or firmware. He explained he'd have been in trouble if he didn't have another method of payment.

Our investigator said that she was satisfied that the transactions weren't stopped or declined by first direct. Since she didn't think first direct had made a mistake, she didn't ask them to do anything further. Mr C disagreed and asked for his complaint to be reviewed by an ombudsman.

Mr C explained it wasn't acceptable for a bank to say they can't and won't do anything about his problem. He said he had plenty of funds and there was no reason for the debit and credit cards to be declined, other than there being a software or hardware issue.

## **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 understand Mr C has experienced similar issues with his first direct cards in the past. For clarity, my decision only focuses on the problems Mr C experienced on 10 July 2023.

I've looked at the system notes which provide details of the transactions to understand why they were unsuccessful. I can see the reason recorded for the debit card transaction was 'Acquirer Generated Reversal Response'. The acquirer in this transaction isn't first direct. It's the financial institution used by the fuel station to process payments on their behalf.

The credit card transactions were authorised by first direct, but they were reversed with the reasons noted as 'Transaction voided by customer'. I acknowledge Mr C didn't void the transactions himself, but it does indicate a problem at the point of purchase which has caused the transactions to be cancelled.

Based on the evidence I've seen, I'm satisfied first direct haven't made an error in processing Mr C's payments. I say this because, if first direct had blocked or declined the transaction, or if there was a system issue with first direct, I'd expect to see the reasons for the transactions failing to be recorded differently within the system notes.

I know Mr C feels very strongly that there's a problem with first direct's software and it needs sorting. But Mr C himself has said that he's been able to use his cards without any problems including at other fuel stations, so this supports the evidence that the fault doesn't lie with first direct's systems or software.

In any event, as explained, I've not seen sufficient evidence to suggest that there was an issue with first direct's software or systems which caused Mr C's transactions to fail, so I don't think there's any problem for first direct to fix here.

I think first direct have responded to Mr C's concerns fairly. They looked into the reasons Mr C's transactions failed, explained how card payments are processed and offered him a reasonable explanation for why the transactions may have been unsuccessful. They also apologised to Mr C for any upset and inconvenience caused.

All things considered, I can't fairly agree that first direct have done anything wrong here. So, I won't be asking them to do anything else.

## **My final decision**

For the reasons explained, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 22 April 2024.

Ash Weedon  
**Ombudsman**