

The complaint

Mr C complains about the service provided to him by HSBC UK Bank Plc ("First Direct") in October 2023.

What happened

The background to this complaint is well known to the parties, so I won't repeat it again here.

But in summary, Mr C complains about:

- the distress, embarrassment and inconvenience he suffered, on 30 October 2023, as a result of having a purchase payment he was looking to make declined by First Direct on four occasions
- the inconvenience of being misadvised, on 31 October 2023, about the timing of a payment he wanted to make

First Direct initially offered Mr C £50 for the first complaint and £50 for the second complaint (£100 in total) by way of an apology before agreeing to increase its offer in respect of the first complaint to £100 (£150 in total).

Mr C's complaint was considered by one of our investigators who came to the view that in all the circumstances of this case First Direct's offer of £150, in total, was both fair and reasonable.

Mr C didn't agree. In summary he said that First Direct's handling of his 30 October 2023 payment request put it in breach of its 'consumer duty' obligations and First Direct's statement that it fully supports 'Applepay' is clearly incorrect.

The investigator considered Mr C's response to her view but wasn't persuaded to change her mind. And because the investigator wasn't persuaded to change her mind Mr C's complaint has been passed to me for review and 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.

Having done so I can confirm that I've come to the same overall outcome as the investigator and for broadly the same reasons. There is also very little I can usefully add to what has already been said.

First I would like to point out that in considering this complaint I've taken into account relevant law and regulations, regulator's rules, guidance and standards and codes of practice, and what I consider to have been good industry practice at the time. This includes the Financial Conduct Authority's Consumer Duty introduced as a new standard (in respect of open products) from 31 July 2023.

Secondly, I would like to point out I've read and considered the whole file, but I'll concentrate my comments 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.

As I've already said, the background to this complaint is well known to the parties and in my view the only thing for me to decide is what, if anything, First Direct needs to do to fairly and reasonably compensate Mr C for the poor service provided to him on two successive days.

30 October 2023

I appreciate Mr C would have been embarrassed in having this payment declined four times before it was ultimately authorised by First Direct at the fifth attempt and inconvenienced in having to contact First Direct to explain what it was he was trying to do more than once.

But equally, a point not disputed by Mr C, he would have always been required to attempt this payment three times in any event. Furthermore, again a point not disputed by Mr C, First Direct authorised this payment the same day, rather than say the following day (or even later).

31 October 2022

I appreciate Mr C would have suffered inconvenience as a result of what First Direct advised him on this day in respect of the timing of a payment he was looking to make.

But equally, a point not disputed by Mr C, he was ultimately able to make this payment and on the date he was looking to do so.

other

Finally, and for the avoidance of doubt, I'm not persuaded that First Direct is incorrect in its statement that it fully supports Applepay. But even if I was wrong on this point, I'm not persuaded that this, in itself, warrants the making of an award by me in Mr C's favour.

I appreciate Mr C will be disappointed but given what I say above I can confirm that I'm satisfied that having offered £150 in compensation First Direct need do nothing further in respect of this complaint.

My final decision

My final decision is that HSBC UK Bank Plc, to the extent it hasn't done so already, must pay Mr C £150.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 28 May 2024.

Peter Cook
Ombudsman