

The complaint

R, a company, complains that HSBC UK Bank Plc delayed making a payment from its account to one of its clients. It says too that the bank's communication policies are inadequate.

R is represented in bringing this complaint by its director, whom I'll call "Mr C".

What happened

At the end of May 2022 R instructed HSBC to make an overseas payment of just over €9,000 to one of its clients. The payment information indicated that the payment was the return of a deposit. It also included a reference to an individual or entity other than the beneficiary account holder.

The payment was not completed within the usual timeframe. HSBC's internal notes suggest that either the beneficiary bank or an intermediary bank wanted some additional information or clarification.

HSBC tried to contact Mr C by telephone for more information. It says its calls were not answered. Mr C says that HSBC should have tried to contact him by different means, such as email. He says too that the number(s) from which HSBC had made its calls were answered by a messaging service, which said there was no reason to call back.

It was not until the beginning of August 2022 that the payment was completed, apparently when the further information needed was provided by the receiving bank.

Mr C complained to the bank and then to this service on behalf of R. One of our investigators considered what had happened but, in an initial assessment, did not recommend that the complaint be upheld. R did not accept the investigator's assessment and asked that an ombudsman review the case.

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.

As I have indicated, HSBC's internal notes suggest that another bank involved in the payment sought further information, such that the transfer could not be completed until that was provided. I do not believe however that it makes any difference to the outcome here which bank was responsible for the payment being placed on hold.

Banks have certain legal and regulatory obligations, and sometimes that means that payments require further checks before they can be completed. In the circumstances, I think it was reasonable that checks were carried out here.

R's wider complaint however is about the way in which HSBC chose to communicate about the payment – which was primarily by telephone. Mr C says, and I accept, that it was very

difficult to initiate any contact with the bank. When it called, no message was left and no number was provided on which he could call back.

I appreciate that this was frustrating for Mr C and that, had HSBC's systems been set up differently, the payment might have been completed sooner than it was.

However, it is primarily for HSBC to decide – within reason – which communication method it uses. R had provided a number linked to its account, and I believe it was reasonable for the bank to try to make contact using that number. And it is not for me to tell a bank how it should set up his systems or to require it to change them. I note that HSBC did eventually contact Mr C by email, as he had asked, but email is not generally regarded as a secure means of communication.

My final decision

For these reasons, my final decision is that I do not uphold R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask R to accept or reject my decision before 13 March 2024.

Mike Ingram

Ombudsman