

The complaint

Mrs H complains that HSBC UK Bank Plc did not properly address the problems she had with her bank card and PIN. She said HSBC advised her to go to a branch for which she has incurred a great deal of costs which haven't been reimbursed.

What happened

In April 2024 Mrs H had issues using her debit with her PIN number. She contacted HSBC over several days and was advised to use an ATM to unlock the card, and then to a branch when that didn't work. However, she found the ATM's were not working and she had to take a taxi another day and said she was told she would be reimbursed.

Mrs H said she had to make further branch visits when her replacement card didn't arrive and because the branch wouldn't allow her to withdraw the cash she needed (£3,600) she had to pawn her jewellery. HSBC declined to reimburse Mrs H and she complained. Mrs H wanted HSBC to explain what went wrong with her card and why it won't reimburse her as promised when she explained health problems prevented her from using public transport.

In its response to Mrs H's complaint HSBC said her debit card PIN got locked when she was making a purchase. It said that normally a customer would go to an ATM and follow the instructions to unlock their card. But as Mrs H was struggling to do this HSBC had suggested she go to a branch less than 10 miles away so its staff could assist. HSBC said Mrs H's taxi costs seem high as does her use of jewellery to make the payment. HSBC said it hadn't made a mistake and couldn't see why two cards being sent to her caused further issues.

Mrs H was unhappy with HSBC's response and referred her complaint to our service. Initially our investigator didn't recommend it be upheld. She said Mrs H visited a branch on 15 April and withdrew cash and a new card was ordered, but she called HSBC later in April to say it hadn't arrived. The new card was received by 29 April as Mrs H used it at an ATM. The investigator said there's nothing to show HSBC offered to reimburse Mrs H for taxi fares.

Mrs H provided further evidence of her experience. She said she didn't receive the new card ordered on 15 April and HSBC confirmed the debit card used on 29 April was an older card – which was stopped and replaced on 13 May 2024. The investigator said it appears Mrs H was without a debit card from 15 April to 29 May 2024, during which time she visited the branch several times to withdraw cash over the counter. Mrs H said her requested cash withdrawals at branch were limited including her request to withdraw £3,600 in April 2024.

The investigator said there were limited branch notes but these included that that Mrs H was attempting to withdraw a large amount of funds with no card and no ID. And as per HSBC procedures, requests of more than £1,000 with no card and no ID would be declined, so HSBC hadn't acted unreasonably. She said there were some delays in Mrs H receiving a new card, which caused Mrs H difficulty in getting to the branch due to her health condition. The investigator recommended HSBC pay her £150 compensation.

HSBC agreed to the recommendation for resolving the complaint, but Mrs H did not. She said HSBC hadn't considered any form of ID she offered as acceptable. And she had received two debit cards and two PINs. Mrs H said £150 compensation wasn't enough. Mrs

H said she wants HSBC to stop lying about what happened and she's spoken to solicitors.

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 was sorry to learn that what should have been a straightforward process of unblocking a debit card has turned into a prolonged and drawn-out experience. Part of my role is to determine whether what took place was reasonable and whether HSBC followed the process correctly.

I was also sorry to learn about Mrs H's medical situation and the difficulties this causes her. Generally banks advise customers to use ATMs to unlock blocked cards as there is a set process to follow to do this. However, Mrs H found the ATMs she attended not to be working including in branch and her visits were by taxi due to her medical condition.

I have thought about compensation in relation to Mrs H's complaint. We're all inconvenienced at times in our day-to-day lives – and a certain level of frustration and minor annoyance is unwelcome, but to be expected. It's the impact of the errors made over and above that which we consider to determine if an award of compensation is merited, and if so, how much.

Mrs H has clearly been caused some inconvenience above that to be expected when a debit card stops working. She has mentioned pawning her jewellery which has subsequently been lost to her. This transaction appears to have taken place in March 2024 before Mrs H's card was blocked, but in any event this would need to be brought as a separate complaint as it concerns a separate business.

Mrs H said she hasn't been able to use her account since April 2024 as she hasn't got a working card. Having looked at HSBC's records it appears that Mrs H was without a card for about six weeks. I think this was much too long to resolve what should have been a relatively straightforward issue and was an error by HSBC. However, there were regular transactions on Mrs H's account during this period and she withdrew cash by means of the inconvenient branch visits. I'm pleased that Mrs H now has a working card and has been able to use this at an ATM.

It isn't easy for Mrs H to travel to the branch which is about seven miles from her home, and I don't doubt that she explained this to HSBC. I can see that Mrs H had many calls with HSBC about her account. However, there's no record of any commitment from HSBC to meet her taxi fares and no evidence from Mrs H of any costs she incurred.

As to Mrs H's attempted cash withdrawals these were for large sums of money. HSBC in common with all banks has procedures to follow. For requests of more than £1,000 HSBC requires enhanced verification. Its notes record that Mrs H was attempting the withdrawal with no debit card and no acceptable forms of identity. It follows that her request was correctly declined, and I think HSBC acted reasonably.

All-in-all I think Mrs H was caused unnecessary inconvenience in travelling to the bank branches due to her health condition. I agree with the investigator that a fair reflection of this would be for HSBC to pay her £150 compensation. This award is in line with awards that we have made in respect of complaints with similar circumstances to Mrs H's. This award falls within our guidance, which describes this compensation as fair in respect of, 'repeated small errors or a larger single mistake, requiring a reasonable effort to sort out'.

Our service investigates the merits of complaints on an individual basis. And that is what I've done here. I think it's important to explain that my decision is final. I realise that Mrs H will be disappointed by this outcome though I hope she appreciates the reasons why it had to be this way. By rejecting this decision all options remain open to her including the legal action she has mentioned.

My final decision

For the reasons I have given it is my final decision that the complaint is upheld. If this decision is accepted by Mrs H I require HSBC UK Bank Plc to pay her £150 compensation for the distress and inconvenience she has been caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 9 September 2024.

Andrew Fraser
Ombudsman