

The complaint

Mr K complains about the way a call was handled by HSBC UK Bank Plc after his debit card was blocked.

What happened

The background to this complaint and my initial conclusions were set out in my provisional decision. I said:

Earlier this year, Mr K returned to the UK and whilst at the airport called HSBC as he'd received a text message concerning unusual activity on his bank account. The agent Mr K spoke with asked him for his date of birth, postcode and to confirm whether he had an overdraft facility. Mr K answered the first two questions but explained he wasn't sure if there was an overdraft on his account as he'd never used one. When pushed by the agent, Mr K said there was an overdraft facility. The agent Mr K spoke with explained he'd failed the verification process so was unable to remove blocks from his account. The agent explained that Mr K would need to visit an HSBC branch with identification to remove the block on his account.

During the call, Mr K explained he was in a difficult position as he was stranded at the airport with no way to pay for onward travel. The agent suggested Mr K use his mobile banking app to help but Mr K explained that wasn't an option. The call ended without the blocks being removed.

Mr K called HSBC back and spoke with a different agent who also asked security questions. The agent asked Mr K for his date of birth and postcode which were both confirmed. When the agent asked Mr K if he had an overdraft, he explained he didn't know so wasn't able to answer that question. The agent asked Mr K for information from his debit card to help verify him and asked him to log into his mobile banking app. The agent was able to verify Mr K's details and remove the block from his account so he could use his debit card to pay for onward travel.

Mr K complained and HSBC issued a final response. HSBC didn't agree its agent had made any mistakes and didn't uphold his complaint.

An investigator at this service looked at Mr K's complaint but wasn't persuaded that HSBC had treated him unfairly or failed to follow the correct verification process. Mr K asked to appeal and said he was in a very difficult situation when he called HSBC as he was stuck at the airport and powerless to pay for onward travel. Mr K also pointed out that the second agent he spoke with was able to take a different approach to verification which should've been available to the first agent. As Mr K asked to appeal, his complaint has been passed to me to make a decision.

What I've provisionally 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'm aware I've summarised the events surrounding this complaint in less detail than the parties involved. No discourtesy is intended by my approach which reflects the informal nature of this service. I want to assure all parties I've read and considered everything on file. I'm satisfied I don't need to comment on every point raised to fairly reach my decision. And if I don't comment on something, it's not because I haven't considered it. It's because I've focused on what I think are the key issues. My approach is in line with the rules we operate under.

I've listened to both Mr K's calls with HSBC while he was at the airport. Having done so, I've reached a different decision to the investigator and haven't been persuaded that HSBC treated Mr K fairly. I'll explain why.

During the first call, Mr K was asked his date of birth and postcode which were correctly confirmed. The agent then asked Mr K whether he had an overdraft. Mr K's first responses explained he didn't know if he had an overdraft as he'd never used one. The agent then responded and said it was a "yes or no" answer. But Mr K had already explained he didn't know the answer and provided a reason – he'd never gone overdrawn. My view is that by forcing Mr K to respond to a question he'd already confirmed he didn't know the answer to, HSBC was placing him in a very difficult position. And given Mr K had already confirmed he didn't know the answer, HSBC was essentially asking him to answer with a 50% chance of success. I'm not persuaded that forcing Mr K to answer a question he had already confirmed he didn't know the answer to was reasonable when there were alternative ways to verify him.

The existence of alternative means of verification was demonstrated during the second call when Mr K explained the situation. That agent listened to Mr K's point and asked him for details from his debit card. Mr K was then asked to log into his mobile banking app so the agent could verify it was him in real time. The second agent was able to verify Mr K despite him confirming he didn't know if he had an overdraft facility or not. I think Mr K makes a reasonable point when he says this should've been offered by the first agent.

Whilst I understand the importance of security questions to verify a customer's identity, there will be genuine reasons why they can't be answered. Here, Mr K told the agent he'd never used an overdraft with HSBC so simply wasn't aware if there was specific limit in place. Given there was clearly an alternative path to verify him, I'm satisfied the first agent Mr K spoke with should've done more to try and assist instead of insisting he respond to a question he had already explained he didn't know the answer to.

I can understand why Mr K is so frustrated at what happened and why he felt somewhat powerless as he was stuck at an airport with no obvious means of paying for onward travel. I'm pleased the second agent Mr K spoke with was able to verify him using alternative questions and that Mr K was able to return home.

Based on the information I've seen so far, I intend to uphold Mr K's complaint and direct HSBC to pay him a total of £100 for the distress and inconvenience caused. In my view, that figure recognises the impact of how Mr K's first call was handed and is a fair way to resolve his complaint.

I invited both parties to respond with any additional comments or information they wanted me to consider before I made my final decision. Mr K responded and confirmed he was happy to accept. HSBC responded and said that during the first call, Mr K's security number was "locked" but during the second call, it was "failed" due to failing the previous attempts at verification.

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.

HSBC's response to the provisional decision pointed to an earlier email it sent the investigator that advised Mr K's security status was different between the first and second call. HSBC says that during the first call, Mr K's security number was locked and during the second it was failed. But that doesn't provide any detail as to why there were no alternative options available to Mr K during his first call with HSBC. And HSBC's response to the provisional decision says Mr K was correctly referred to branch after he failed the security questions.

Whilst I take HSBC's point, I think it's reasonable to note Mr K didn't follow up with a branch visit. He simply called back, explained his situation and was able to easily pass the security questions he was asked during that call. So even if the agent on the first call wasn't able to verify Mr K, it does appear he had the option of simply calling back to complete the process, instead of being required to visit a branch. HSBC hasn't explained why Mr K wasn't given that option. And, as I said in my provisional decision, Mr K was clear in explaining he was at an airport and needed access to his account to pay for onward travel and that visiting a branch simply wasn't something he was able to do. In the circumstances, I still think HSBC should've gone further to assist Mr K.

I remain of the view that the way Mr K's call was handled caused him an unreasonable level of distress and inconvenience that is fairly reflected by a payment of £100. As I haven't been persuaded to change the conclusions I reached in my provisional decision, I'm going to proceed on the same basis and uphold Mr K's complaint.

My final decision

My decision is that I uphold Mr K's complaint and direct HSBC UK Bank Plc to settle by paying him £100 for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 5 November 2024.

Marco Manente
Ombudsman