

The complaint

Mr H complains that HSBC UK Bank Plc ('HSBC') should pay more compensation to reflect the impact on him when its online banking facilities were unavailable and he needed to make urgent payments.

What happened

Mr H explained that he needed to make urgent transfers to confirm a booking for his wedding and get money to his partner for children's food. But when Mr H tried to access his online banking facilities, he was unable to make bank transfers using the online banking application ('App'). As a result, Mr H was unable to transfer money to his partner, which led to an argument and caused him a great deal of stress. And when he lost out on the wedding booking he'd hoped to secure, he had to spend additional time making more expensive alternative arrangements.

When Mr H complained, HSBC said there had been an interruption to its online and mobile banking that day, caused by a technical issue. But it said HSBC's telephone banking team remained fully operational and staff in branch could have assisted Mr H to arrange a transfer between his accounts or pay bills. In addition, Debit and Credit cards were not affected. HSBC said if he'd needed a One Time Password (OTP) to confirm a payment, that could've been provided by text message rather than through the App. And payments could also have been done via HSBC's Interactive Voice Response ('IVR') system.

Nonetheless, HSBC acknowledged that Mr H hadn't been able to make payments the way he'd expected to and paid him £50 by way of apology for the inconvenience caused.

Mr H referred his complaint to us. The investigator thought HSBC had dealt with Mr H's complaint fairly and that the £50 compensation paid already was fair in the circumstances.

Mr H disagreed with the investigator. He said the IT glitch at HSBC had caused him significant financial loss and the row with his partner had been very distressing. Mr H said the demands of his full-time job and his caring responsibilities meant he wasn't able to take advantage of telephone banking or take time out to go to a branch. He didn't agree the £50 payment was fair and wanted more compensation than this.

Mr H asked for an ombudsman to consider his complaint so it has been passed to me to make a 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.

I sympathise with Mr H – I can completely understand that what's happened has been very upsetting for him. But having thought about everything I've seen and been told, I've independently reached the same overall conclusions as our investigator.

HSBC's banking terms and conditions, which set out the basis on which HSBC provides online and mobile banking services, say it isn't responsible when things go wrong outside HSBC's (or its agents) control or where something not normal happens that it couldn't predict. There's nothing in the terms of business that Mr H would've signed up to in order to be able to use his account that guarantees he will always be able to access his banking App. And inevitably, technical problems do arise from time to time and it's something to be expected on occasion.

So whilst I agree it was inconvenient for Mr H, I'm satisfied HSBC's terms cover the situation here and I can't say that HSBC breached its terms and conditions when Mr H wasn't able to access his HSBC banking App.

HSBC confirmed it had a systems issue that needed to be repaired. It said it had been working hard to fix the issue on 28 June 2024 when Mr H was unable to make the payments he wanted to. Meanwhile, the other services HSBC offered customers were fully functional.

I appreciate that it was difficult for Mr H to use telephone banking or make an opportunity to get to a cash machine or visit an HSBC branch. I fully accept this would've caused Mr H some inconvenience and I understand he urgently needed to transfer funds. But I must be fair to both sides.

The ombudsman approach to redress is to also take into account what Mr H could have done differently to mitigate any loss. We expect consumers to take reasonable steps themselves to limit the impact of things going wrong.

HSBC's telephone banking service was available between 8am and 8pm on the day in question. HSBC's operating hours for its phone banking service offered customers a reasonable chance of being able to carry out phone banking before or after work. And I think Mr H could've reasonably expected to complete the transactions he wanted to, either by phone within the space of a short break and/or over lunchtime – by phone or by using one of the other payment methods HSBC could still offer when the App was unavailable.

We all experience some inconvenience in our day-to-day life. I'm satisfied that technical issues meant online and mobile banking facilities were unavailable when Mr H wanted to make transfers, and this was undoubtedly inconvenient for Mr H. But I haven't been persuaded that HSBC treated him unfairly given the range of other options it could offer that would've enabled Mr H to make these payments.

I've read and considered everything Mr H has told us about the circumstances of his complaint and how they impacted him. Having done so, I'm satisfied HSBC's £50 settlement is fair in all the circumstances. It matches the level of award I would make here, had it not already been paid. It's in line with the amount this service would award in broadly similar cases.

So I'm not upholding Mr H's complaint and it follows that I have no power to tell HSBC to do anything further.

My final decision

My decision is that I don't uphold Mr H's complaint because HSBC UK Bank Plc has already paid compensation that is fair and reasonable in all the circumstances.

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

Susan Webb
Ombudsman