

The complaint

Mr E complains that HSBC UK Bank Plc should pay him more compensation than it has offered in respect of admitted poor service issues

What happened

In April 2025, unable to access the HSBC mobile banking app after changing his mobile phone, Mr E phoned HSBC to reset his password but failed voice recognition. He was able to speak to one of HSBC's call handlers after answering security questions and he was asked about two transactions showing on his account which he didn't recognise. HSBC asked him to attend a branch and after successfully verifying his identification, Mr E's mobile banking access was restored. When able to check through his transactions, Mr E wasn't able to see the transactions HSBC had asked him about and he learned that he'd been misinformed about these, prompting Mr E to complain.

Mr E had further problems when he failed HSBC's voice recognition again and he was blocked from telephone banking. He was told to go to a branch to resolve this. He booked an appointment with a staff member who liaised with the telephone team to remove the voice ID from his account. But when seeking an update on his complaint, he was concerned to learn that his complaint hadn't been filed. Branch staff attempted to address matters and offered him compensation.

HSBC subsequently wrote to Mr E apologising for:

- incorrect information he was given when asked to confirm non-existent transactions on his account, and
- the system error which occurred regarding Voice ID, and
- the subsequent misinformation provided when he was told that only a branch could remove Voice ID, and
- that the complaint he wanted to make wasn't actioned at the time.

HSBC offered Mr E £300 compensation for the distress and inconvenience he'd been caused as a result of these service failings.

Mr E didn't feel this went far enough to resolve things and he brought his complaint to us.

Our investigator thought that HSBC's offer was fair in all the circumstances.

Mr E disagreed with our investigator, mainly saying that he felt his experience had been largely disregarded. He detailed his particular concerns and put things this way: '*...The conclusions reached do not, in my view, adequately reflect the seriousness of the failings on HSBC's part or the considerable impact they have had on me.*'

He asked for an ombudsman review and so the complaint has come to me to decide.

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 thought about everything I've seen and been told, I've independently reached the same overall conclusions as our investigator. I'll explain why I say this.

Like the investigator, I've approached this complaint in a way that reflects the informal service we provide. My role is to consider the evidence presented by the parties and reach an independent, fair and reasonable decision based on the facts of the case and the evidence provided by both sides. In doing so, I may not address every single point or question raised and I've summarised much of what Mr E has said in my own words. But it doesn't mean I haven't considered all the material information or failed to give due attention or weight to what Mr E has said – it just means I haven't needed to specifically refer to everything in the same detail as Mr E in order to reach a decision in this case.

I will concentrate in my decision on the main points that affect the outcome of this complaint. To uphold this complaint there would have to be persuasive evidence that made it more likely than not that HSBC had done something wrong or acted unfairly or unreasonably and not done enough to put things right. So that's the focus of my decision.

The main background facts are not in dispute so I don't need to say more about what happened. HSBC accepted that there were shortcomings and errors in the way it dealt with Mr E. So as HSBC has upheld the complaint, I will concentrate on the question of fair redress.

Our approach to redress is to aim to look at what's fair and reasonable in all the circumstances of a complaint. One way we would try and do this impartially here is to put Mr E in the position he'd be in if HSBC hadn't been responsible for poor service issues. So my starting point is to think about the impact on Mr E of what happened.

I've thought first about financial loss. Mr E is out of pocket as a result of making two unnecessary branch visits. He told us he incurred parking costs of £2.50 each time and I've kept this in mind when thinking about the overall compensation award.

He also mentioned that all this happened when he was in the process of establishing a business and managing multiple ongoing projects which he said meant that time lost having to go into branch and chasing things up had a significant impact on his productivity and ability to focus on work. We don't generally award specific compensation for this because of the impracticality involved in trying to precisely identify and quantify lost income attributable to HSBC's poor service.

And we don't expect to reimburse consumers for the time they spend dealing with their complaint. But I've kept all this in mind generally when thinking about the overall extent and impact on Mr E of HSBC's admitted poor service because fair compensation is more than just a question of monetary loss – it also needs to properly reflect the wider impact on Mr E of HSBC's service failings.

I don't doubt that HSBC's admitted poor service would've been frustrating and inconvenient for Mr E. He's described experiencing significant distress when he was first told about unauthorised transactions that had supposedly occurred on his account and I can appreciate that was very worrying when he couldn't get into his account to see for himself that everything was OK.

It's also understandable that repeatedly failing HSBC's Voice ID was frustrating. And the situation was made worse by being told incorrectly that he needed to go to a branch to sort things out – especially when the Voice ID issue was a problem at HSBC's end in any event. It was also frustrating that his complaint wasn't correctly actioned as it should've been – adding to the overall stress of this matter.

I'm sorry for how what happened left Mr E feeling. It doesn't however automatically mean that a large financial payment is due as compensation. We're all inconvenienced at times in our day-to-day lives – and a certain level of frustration and minor annoyance is expected.

Taking all this into account, overall I think the £300 compensation offered by HSBC is fair and reasonable in all the circumstances. It broadly reflects the distress and inconvenience Mr E was caused and it's enough to cover his actual costs incurred in wasted trips to the branch. Beyond this, I don't agree that Mr E's experience warrants further compensation. I am satisfied that £300 matches the level of award I would make in these circumstances had it not already been proposed. It is in line with the amount this service would award in similar cases and it is fair compensation for Mr E in his particular situation.

I'm aware that Mr E said he was offered more than this by branch staff. But he didn't accept settlement terms put forward in branch, so I can't say he's unfairly lost out. And the written offer put forward by HSBC seems fair and reasonable to me, for the reasons I've explained.

Putting things right

HSBC should pay Mr E £300 compensation, as it has already offered to do, to reflect the impact on him of its admitted poor service.

My final decision

My final decision is that I uphold this complaint and direct HSBC UK Bank Plc to take the steps set out to put things right for Mr E.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 17 September 2025.

Susan Webb
Ombudsman