

The complaint

Mr S complains that HSBC UK Bank Plc declined to refund disputed transactions that were made from his account.

What happened

The facts of this case are well known to both parties, and largely not in dispute. So, I intend to only give a brief overview of what's happened in this decision.

In summary, several transactions debited Mr S's account to what appear to be online subscriptions between October 2023 and December 2024 totalling £321.62.

When Mr S discovered the transactions, he contacted HSBC to report them as unauthorised and asked it to refund the money. The bank raised chargebacks via the relevant card scheme for some of the transactions, and this resulted in a partial refund for Mr S as the merchant in question didn't respond. But due to what appears to be an administration issue, some of the transactions weren't included as they should have been. So, following a complaint from Mr S, the bank agreed to refund further transactions as a gesture of goodwill.

Mr S then referred his complaint to this service. He said he was still out of pocket because there were further transactions yet to be refunded by the bank. The complaint was considered by one of our investigators. She was satisfied that Mr S had signed up for subscriptions for the merchants involved, and that the terms of the subscriptions were made clear to Mr S when he entered his card details for 'free trials.' For one merchant involving adult content websites, our investigator was satisfied Mr S had authorised a payment of £0.99 to that merchant but had then withdrawn his consent via HSBC for any further amounts. And she felt the same for another merchant involving social media popularity for £4.91, but that any amounts taken after Mr S withdrew his consent should be treated as unauthorised.

But overall, our investigator recommended HSBC refund a further £158.89 to Mr S to reflect further subscription transactions that were outstanding. She also felt £50 compensation was appropriate to reflect the trouble and upset its handling of the fraud claim would've caused to Mr S.

HSBC was prepared to settle this complaint in line with our investigator's recommendations.

But Mr S didn't agree. As well as other things, he said HSBC's delays and misinformation directly resulted in missed chargeback opportunities leaving him financially disadvantaged. He said the process required substantial time, effort, and repeated follow-ups over more than a year, far beyond what £50 would reasonably compensate.

As no agreement could be reached, the complaint has been passed 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 done so, I realise this will come as a disappointment to Mr S, but I've reached the same conclusions as our investigator, for similar reasons.

The regulations relevant to this complaint are The Payment Services Regulations 2017 (PSRs). These say, in summary, that a payment service provider should generally refund a transaction that comes out of one of their consumer's accounts that they didn't authorise, and the consumer is liable for authorised ones.

Here, I agree with our investigator that it's most likely Mr S authorised the initial subscription transactions. And that I accept, on balance, that the terms of any future payments would've been made clear on the websites. So, HSBC is entitled to hold Mr S for those transactions.

I accept that there was a discrepancy with the transactions that were included within HSBC's chargeback request via the relevant card scheme. It's not clear exactly when Mr S first contacted HSBC to report these transactions. Our investigator believes that this was August 2024, very shortly after the adult content subscription started. In future follow up correspondence, Mr S says he'd already raised a dispute about the transactions in question twice in the past and was unhappy they'd continued to leave his account. It was at this point that HSBC agreed to refund other transactions as a gesture of goodwill.

Despite the dates being unclear as to when Mr S first informed HSBC about disputed transactions, (which could impact the date I can fairly conclude that Mr S withdrew his consent for any future debits to leave his account), HSBC is prepared to settle this complaint in line with our investigator's recommendations. As such, I don't feel it's necessary to deliberate exactly when Mr S withdrew his consent for the subscriptions that he'd previously signed up for, as in any event, I find our investigator's recommendations (that HSBC is prepared to pay) to be very fair and reasonable in the circumstances.

I appreciate Mr S doesn't believe £50 compensation reflects the time and effort he put into pursuing this matter. Whilst I accept HSBC could've further clarified exactly what transactions Mr S was disputing when it raised a chargeback following Mr S's dispute claim, I find £50 fairly reflects the trouble and upset this matter would've caused to him. As such, I won't be increasing the amount recommended by our investigator.

Putting things right

In order to resolve this complaint, HSBC UK Bank Plc must:

- Refund a further £158.89 to Mr S. This is the combined amount (including a non-Sterling transaction fee) as recommended by our investigator for disputed transactions yet to be refunded by HSBC.
- Refund any associated overdraft interest resulting from the disputed payments, (excluding the £0.99 and £4.91 initial subscription amounts).
- Pay Mr S £50 compensation.

My final decision

My final decision is that I uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 6 April 2026.

Lorna Wall
Ombudsman