

The complaint

Mrs N complains HSBC UK Bank Plc provided incorrect information and poor service when her card and PIN didn't work.

What happened

The details of this complaint are well known to both parties, so I won't repeat them here. Instead, I will focus on the reasons for my 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.

Mrs N held a HSBC account and had a debit card with a PIN. On 26 November 2025 Mrs N contacted HSBC as she had attempted to make two transactions using the card and PIN, but they were both declined. In its final response letter to Mrs N HSBC confirmed this was due to the PIN retry limit being exceeded.

Mrs N contacted HSBC through its live chat service and was informed there was no issue with her account or PIN. Later in the chat, after clarifying a transaction Mrs N was informed the card didn't work due to her PIN entry attempts being exceeded. Mrs N says at this point she wasn't informed that she needed to attend an ATM to unlock the card. Mrs N says this was important information. I can see in the chat she was informed that she may have entered the PIN incorrectly only. Mrs N says she should've been told the card would not work until she took the steps necessary at an ATM and all other transactions would fail.

I appreciate Mrs N's comments about this interaction – HSBC has acknowledged she was given incorrect information that was then corrected. The additional information would've been helpful for Mrs N and assisted her with next steps – but I can't see that Mrs N asked for details of next steps either or highlighted her need to use her account immediately. HSBC has confirmed feedback has been provided about this to the relevant staff member. I consider these remedial steps to be appropriate.

The following day on 27 November 2025 Mrs N contacted HSBC again as her card was still being declined. Mrs N had attempted to withdraw funds but there was an insufficient balance. Mrs N was informed the card was locked, and she was advised of the steps she needed to take to unlock it. Mrs N took these steps shortly afterwards and was able to utilise her card. The account details show a successful cash withdrawal shortly after this. I understand Mrs N says this information should've been made clear to her as soon as she contacted HSBC about her card and the problems she was having. Mrs N believes compensation is due to her because of these failings.

Specifically, Mrs N says she was caused avoidable inconvenience and distress, as she was in a rural area in a foreign country with no access to funds. I can see from the evidence provided by HSBC that when Mrs N was informed of the steps she would need to take to reset her PIN, she did this within 20 minutes of her contact with HSBC. This meant she was

able to transact on her account and use her card and PIN without any further issues. So although there were shortcomings, they appear to have been mitigated by HSBC and Mrs N, and the necessary remedial steps were taken swiftly. Mrs N also hasn't provided any additional information regarding the distress and inconvenience she experienced during these two days that would warrant compensation.

I must also highlight that during a course of a relationship between a customer and bank there may be errors or instances where mistakes occur. This is the very nature of financial services, where human errors and miscommunication are inevitable. It therefore doesn't follow that compensation is necessary or appropriate for every single instance. Our awards for distress and inconvenience are not intended to be punitive for businesses. Their fundamental aim is to recognise the impact on a consumer where there has been shortcomings. Having considered the timeline of events, I can't see the detriment experienced by Mrs N warrants compensation in line with this service's approach to distress and inconvenience.

I know this will not be the outcome Mrs N was hoping for, but I am satisfied that overall HSBC acted reasonably. I know Mrs N will be disappointed with the decision I've reached, but I hope it provides some clarity around why I won't be asking HSBC to take any further action or compensate Mrs N.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 13 April 2026.

Chandni Green
Ombudsman