

complaint

Miss S complains that HSBC UK Bank Plc didn't help her when she made a payment to the wrong account.

background

Miss S went to a HSBC branch on 2 May 2018 to make a payment of £950 to her landlord. She says she was directed by HSBC staff to use a faster payment express machine. She says the staff member selected her previous landlord as the payee but she accepts she then checked the transaction and approved it. The payment was sent to her previous landlord and not her present one. Miss S says she asked staff to help her but was not given any help and sent away. She says the following day she went to a different HSBC branch and staff there helped her and tried to get her money back. Miss S says she only received £64.82 back.

HSBC accepts Miss S received poor service in its branch and has offered £150 compensation for that part of her complaint. It says it followed the misdirected payment protocol by raising the mistake within two days but unfortunately only £64.82 was able to be returned.

Miss S brought her complaint to us but our adjudicator thought HSBC had dealt fairly with the complaint. The adjudicator accepted Miss S had received poor service in the branch but thought the offer of £150 was fair and reasonable. The adjudicator thought that HSBC had followed the agreed process by raising the problem within two days and that Miss S had authorised the payment.

Miss S didn't accept that view and asked that it be reviewed by an ombudsman. She says she's been caused a significant level of stress as a result of what happened and was caused significant financial problems.

I asked both sides for further information. In summary I asked HSBC why its staff didn't try and do more for Miss S and if the delay of a day in doing something impacted on the amount of money recovered. I asked Miss S to explain why she waited a day in raising the issue.

HSBC says the delay doesn't matter as it still raised the issue within the required two days. Miss S says she wasn't given any help by staff and that's why she felt she had to leave the branch.

my provisional findings

I issued a provisional decision and said I've come to the provisional view that the compensation offer didn't go far enough.

I said that I didn't think there could be any doubt that Miss S was not treated appropriately by HSBC staff when she attended its branch on 2 May 2018. I accepted that Miss S was unfamiliar with the process for using HSBC's express payment machine. I thought it likely that was the reason that the HSBC staff member was also trying to assist Miss S. I didn't think it was entirely clear what then happened or how it happened but Miss S authorised a payment to the wrong person. I had no doubt what Miss S said, that she realised the mistake almost straight away. And I also had no doubt at that stage she would have been extremely concerned and worried about where her money was or if she could get it back.

I would have expected HSBC staff at that point to deal sympathetically with Miss S and explain what her options were. I would also have expected HSBC staff to have explained the agreed protocol on misdirected payments and to have started the process there and then. And to have made sure that Miss S left the branch knowing exactly what was going to happen and made aware of the possibility of her not receiving all or some of her money. Miss S should also have been advised of what her other options were in those circumstances, such as court proceedings or contacting the police.

I accepted that the protocol says that any action to recover money in these circumstances should be commenced within two days, and so HSBC didn't breach that rule by commencing action the following day. But regardless of that I was satisfied for the reasons I explained that Miss S was treated unfairly in branch on 2 May 2018. I accepted that even if action had commenced earlier there would be no guarantee that Miss S would have received any more money back. So for that reason I said I couldn't fairly order HSBC to refund the payment.

I was satisfied that as Miss S wasn't treated fairly in branch on 2 May 2018 she was forced to attend a different HSBC branch in order to try and get her money back. I thought that branch dealt fairly with her but that extra visit would have caused further inconvenience. And I thought that if Miss S hadn't have attended the second branch then the misdirected payment process wouldn't have started at all, as staff in the first branch do not appear to have started it.

So I've come to the provisional view that although Miss S made the mistake by authorising the payment, HSBC should have done more to assist and advise her after the mistake was made. I didn't think the offer of £150 went far enough and didn't recognise the impact this had on Miss S or the distress and inconvenience she was caused. I thought HSBC should pay total compensation of £300.

Both Miss S and HSBC have accepted my decision.

my findings

I've reconsidered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. And having done so I've reached the same decision as I did in my provisional decision. It doesn't appear that HSBC paid the £150 compensation it previously offered and so I will order it pays the full amount of £300. If HSBC has made a payment that we are unaware of, then no doubt it will adjust the payment.

my final decision

My final decision is that I uphold this complaint and order HSBC UK Bank Plc to pay Miss S total compensation of £300

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 19 August 2019..

David Singh
ombudsman