<u>Ombudsman Decision</u>
<u>CIFO Reference Number:</u> 25-000189
<u>Complainant:</u> Mrs M
<u>Respondent:</u> HSBC Bank Plc, Jersey Branch

Complaint

The Complainant, who I shall refer to as Mrs M complains that HSBC Bank Plc, Jersey Branch ('HSBC') incorrectly added '*Mother*' as a reference to two payments she made to a family friend, mistakes she says contributed to an already a difficult family situation and caused her considerable distress.

Background

In August and October 2024, Mrs M contacted HSBC by telephone to make two payments to a family friend I shall refer to as 'J'. The first was for £25, and Mrs M asked for the reference to be left blank. The agent instead added '*Mother*' as the reference, most likely because she misheard her saying '*don't bother*.' In the second call, for a payment of £100, the same reference was added.

Unfortunately, J was on bad terms with his family at the time and when he called his mother to thank her for the payment this caused arguments in the family for which Mrs M was partly blamed. Mrs M describes HSBC's errors as *'the straw that broke the camel's back'* and says this episode has caused her considerable distress and upset.

[1] Financial Services Ombudsman (Jersey) Law 2014 Article 16(11) and Financial Services Ombudsman (Bailiwick of Guernsey) Law 2014 Section 16(10)

In its final response letter, HSBC apologised to Mrs M for its errors in recording incorrect payment references and offered her £500.00 compensation.

Our adjudicator acknowledged the distress and inconvenience Mrs M had experienced following the bank's errors but concluded HSBC's compensation offer was fair and reasonable. Mrs M didn't accept this assessment, believing HSBC should pay a higher amount, and the complaint has now been passed to me for review.

Findings

I've carefully considered all the available evidence and arguments to decide what is, in my opinion, fair and reasonable in the individual circumstances of this complaint. In considering what's fair and reasonable, I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

I note Mrs M's concerns about HSBC's use of call centre staff based overseas and the difficulties she says this causes her in both being understood and understanding what's being said to her. But it's ultimately for the bank to decide how it structures its call centres and that's not something in which CIFO would become involved.

This notwithstanding, there's no dispute HSBC made mistakes in respect of both payments and I can see that the consequences of what would ordinarily be fairly minor errors have caused Mrs M considerable distress and inconvenience on this occasion. While I fully acknowledge HSBC's part in what happened and agree it should compensate her for this, it seems clear there were already problems with J's relationship with his family that were nothing to do with the bank. Further, I don't think it would be reasonable to hold HSBC entirely responsible for the reactions of J's family, over which it had no control.

The amount to award a customer for distress and inconvenience can be difficult to assess as the same situation can impact different people in different ways. In the circumstances of this case, while I understand Mrs M disagrees with this outcome, I'm satisfied the £500 offered by HSBC is fair and reasonable and consistent with what we typically award when a bank's actions have caused substantial distress and inconvenience.

Final Decision

My final decision is that, subject to her acceptance, I require HSBC Bank Plc, Jersey Branch to pay Mrs M £500.00 compensation.

Please note, this is based on my understanding that HSBC has not yet paid this amount to Mrs M. But if it's already paid this amount in full, there'd be nothing further to pay. Or if it's already paid part of this amount, only the remaining sum would be left to pay

Jim Biles
Ombudsman

Date: 16 January 2026