

The complaint

Ms C complains that HSBC UK Bank plc (HSBC) were unable to help when she couldn't use her credit card abroad. She would like compensation for costs incurred as a result and for the time taken to deal with this matter abroad and back in the UK.

What happened

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

Having done so I have reached the following conclusions:-

- I have noted that, in her complaint, Ms C has mentioned experiences of other customers and made reference to other banks. I need to make it clear that in this complaint I can only consider Ms C's issues and HSBC's actions.
- I do appreciate it must have been frustrating for Ms C to have problems using her HSBC credit card to hire a car. She has evidenced she couldn't use the card with the company she arranged car hire with, and that his card was declined with the second company she then tried to use . The second company was able to take the payment manually making a new booking via its webpage booking system. But in using this company Ms C incurred an extra £386.01 in car hire fees. She has told us this took 4 hours to resolve. I don't doubt the inconvenience this caused, as Ms C is asking for compensation I must decide if HSBC is at fault or not.
- HSBC has told us that Ms C's payments couldn't be processed due to the way the payments were taken. The retailer used Chip and signature to authenticate the transaction when it needed to use Chip and PIN. Ms C has told us that when HSBC advised her on the phone to ask the first retailer to use the Chip and PIN function that the retailer tried but had no such option as it said the payments were processed automatically. From the retailer's response it seems to me the issue was with the retailer not HSBC.
- Ms C has evidenced that when she tried the transaction with a second retailer a Chip and PIN machine was used – she has given us photos to evidence that two attempted transactions were declined. However, this retailer was able to go ahead and take the payment using its webpage booking system. Ms C has also evidenced that she had to pay more for this booking than for the original one. I can't agree HSBC is responsible for these costs – I haven't found the transaction with the first company to be down to a fault with HSBC, and the increased cost to Ms C is likely to be as the second company charges more for car rental for which I can't hold HSBC responsible.

- We have gone back to HSBC to understand, why the transactions for the second retailer failed when a Chip and PIN machine was used. HSBC has provided us with a download of transactions which it was previously unable to do . This confirms all transactions attempted with both retailers failed for the same code and reason – that is 'Chip and sig not allowed'. On this basis it seems to me the transactions failed as a result of how the retailers were processing payments not down to any fault by HSBC's. On this basis I can't reasonably ask HSBC to compensate Ms C for the time and inconvenience as she would like.

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 Ms C to accept or reject my decision before 18 June 2024 .

Bridget Makins
Ombudsman