

The complaint

Mr K complains that HSBC UK Bank Plc blocked his debit card when he was trying to complete a transaction. He also complains about the service he received when trying to resolve matters.

What happened

In October 2022, Mr K's debit card was blocked following a transaction he tried to make. Mr K said he called HSBC to try and unblock his card and was on the phone for over three hours. He also said his call was transferred 20 times and he wasn't able to use his online banking either. Mr K said he complained about matters, but HSBC didn't register his complaint like it said it would. So, he said he stayed on the phone for another two hours to try and register the complaint.

Mr K said he was unable to buy food or put fuel in his car. And his young child, who was with him when this happened, was hungry and thirsty. Mr K also said the matter had caused him severe mental distress which he had to see his doctor for.

HSBC reviewed matters and, in summary, said Mr K's attempted transaction was highlighted by its fraud system, and an automatic block was put on the account. HSBC said its system appeared to show that it attempted to send a notification to Mr K through his mobile banking app, but this was unsuccessful. It recommended that Mr K enabled the push notifications on his app to prevent a reoccurrence.

It acknowledged that this matter would have caused Mr K some frustration, but also explained that fraud checks were a part of its policy and, whilst it aimed to keep these checks to a minimum, some transactions may still be flagged if there were fraud concerns. HSBC acknowledged and apologised for the call-wait time Mr K experienced. Overall, it paid Mr K £100 as a gesture of goodwill.

Mr K remained unhappy and brought his complaint to this service. One of our investigators reviewed matters. Following some further correspondence, HSBC agreed to offer a further £100 compensation, bringing the total up to £200. Our investigator thought this was a fair way to put matters right, but Mr K didn't. In summary, he disagreed that £200 was fair, considering the impact on his mental health, and his young child. Mr K also provided more information about the impact matters had on his mental health.

As an agreement couldn't be reached, the case has come 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.

I'd like to thank Mr K for the detail he has provided in relation to his complaint. I have read and taken into account everything that both parties have submitted, however, my findings will only address matters I consider central to the outcome of this complaint. So, I won't

address every point that has been raised. I trust this won't be taken as a discourtesy, but this reflects the informal nature of our service.

In his submissions to this service, Mr K has made reference to several issues that he says have occurred over the last year or so. However, it's important I explain that my decision will only focus on the crux of this complaint, which is when Mr K's debit card was blocked in October 2022, and the service issues surrounding this. And it's important I explain that I can only consider the impact on Mr K as the eligible complainant here.

The terms of Mr K's account outline that HSBC may block access to services for a number of reasons, including circumstances where it has concerns about security. Whilst I appreciate the inconvenience and upset this caused Mr K when he was unable to use his account, here, HSBC has said the reason behind the block was because it had concerns about security. So, on balance and based on the information I've been provided with, I'm persuaded that the actions HSBC took were to safeguard Mr K's account.

That being said, whilst HSBC's actions here were in line with the terms of the account, both parties are in agreement that the overall service offered could have been better. For example, as I understand it, Mr K didn't receive a notification to alert him that a transaction needed to be verified, so he had to call the fraud team. It's also not in dispute that Mr K was on the phone trying to sort matters out for a long time and his calls were transferred a number of times.

As it's not in dispute that things went wrong with the service Mr K received, what's left for me to decide in the circumstances is whether the amount HSBC has offered is enough to put matters right.

In summary, and amongst other points, Mr K says the service he received had a profound effect on an existing mental health condition that he is dealing with. In summary, he says he was highly distressed being without his card for a day and a night. He also said that being on the phone for a long time whilst he had his young child in the car meant that his mental health was still suffering.

I'd like to thank Mr K for providing detailed testimony about his health, and relevant supporting information. I'm aware I've summarised what he's told us in less detail than what he's provided, but I want to assure him that I have considered all the information he's submitted. I don't underestimate how stressful the matter was for Mr K and I don't doubt the testimony he's provided. As I've outlined, it's not in dispute that matters could have been dealt with more quickly, and the overall service offered could have been better.

I'm pleased to see that HSBC recognised that it should have provided Mr K with a better service than it did and that it has already apologised to Mr K. I was very sorry to hear about the impact the matter had on Mr K's mental health. Having considered all the information I've been provided with, and the impact on Mr K, I think that an additional £100 compensation is reasonable in the circumstances, bringing the total amount to £200.

I know Mr K wants more compensation and I acknowledge his strength of feeling on the matter. However, having carefully considered all the information I've been provided with, I'm persuaded that £200 compensation is a fair and reasonable amount to acknowledge the distress and inconvenience caused to Mr K as a result of this matter.

My final decision

I uphold this complaint and direct HSBC UK Bank Plc to pay Mr K £100 compensation, in addition to the £100 it has already paid him, for the distress and inconvenience this matter

caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 21 July 2023.

Hana Yousef
Ombudsman