

## **The complaint**

Mr A and Miss A complain that HSBC UK Bank Plc (trading as First Direct) blocked their account. They are also unhappy that First Direct asked them to attend a branch and provide identification for the block to be removed from the account.

## **What happened**

The detailed background of this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr A and his daughter Miss A, have a joint account with First Direct, which they use to receive Miss A's benefit payments.

Mr A has explained that Miss A suffers from a mental health condition which means she doesn't usually leave the house and finds it difficult to speak on the telephone. Mr A has said that he is a full-time carer for Miss A. And that due to her condition Miss A hasn't been able to renew any photo identification, so doesn't have any valid photo identification.

Mr A contacted first direct after he discovered that his debit card for the joint account wasn't working. Mr A said he needed access to the fund in the account to pay for everyday living expenses and care for Miss A. First Direct told Mr A that it had frozen Mr A's card and blocked the joint account because it had received returned post relating to the account. And from looking at the activity on the account it appeared Mr A and Miss A had moved address.

First Direct said that was a standard security process when post is returned to them, that this restriction is put in place until the customer has updated their address by attending a branch with photo identification and proof of their address.

Mr A complained to First Direct. He said he was still receiving letters from the bank including his new credit card. And that to the best of his knowledge no letters had been returned undelivered. So, he didn't understand why he and Miss A needed to attend a branch with photo identification and proof of their address.

Mr A also said that Miss A was discriminated against because First Direct wouldn't agree to release the money in the joint account unless Miss A visited a branch with photo identification. He said that's just not going to happen because of how Miss A's illness affects her.

In response, First Direct explained that, for security reasons, it needed to ensure that it held the correct address details for Mr A and Miss A. It told Mr A that it hadn't been aware of Miss A's health condition. First Direct said that Mr A should let them know what (if any) adjustments could be made so that Miss A could comply with its request.

Mr A remained unhappy and referred his complaint to our service where one of our investigator's looked into what had happened. The investigator asked First Direct and Mr A for more information, which included asking Mr A to provide medical evidence to support

what he'd said about Miss A's health. But Mr A didn't provide anything. First Direct provided more information to us in confidence.

The investigator reviewed everything and said First Direct hadn't done anything wrong when it asked Mr A and Miss A to attend branch to provide their identification. Mr A disagreed. He maintained that First Direct had breached the Equality Act 2010.

As no agreement could be reached the matter has been passed to me for an Ombudsman's consideration.

### **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.

Firstly, I should say that I'm aware I've summarised the events of this complaint in less detail than the parties, and that I've done so using my own words. The reason for this is that I've focussed on what I think are the key issues here, which our rules allow me to do.

This approach simply reflects the informal nature of our service as a free alternative to the courts. And I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome in this case. So, if there's something I've not mentioned, it isn't because I've ignored it, and I must stress that I've considered everything both Mr A and First Direct have said, before reaching my decision.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from financial businesses as confidential for a number of reasons – for example, if it contains information about other customers, security information or commercially sensitive information. It's then for me to decide whether it's fair to rely on evidence that only one party has seen. It's not a one-sided rule; either party to a complaint can submit evidence in confidence if they wish to, and we'll then decide if it's fair to rely on it. Here, the information is sensitive and on balance I don't believe it should be disclosed. But it's also clearly material to the issue of whether First Direct has treated Mr A fairly. So, I'm persuaded I should take it into account when deciding the outcome of the complaint.

I want to make it clear that I understand why what happened concerned Mr A. I've no doubt it would've come as quite a shock to him, and he would've been very worried to find out that his accounts had been closed. But as the investigator has already explained, First Direct has extensive legal and regulatory responsibilities they must meet when providing account services to customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime.

Mr A has complained that First Direct has failed to make reasonable adjustments for Miss A. In other words, has failed its duty to make reasonable adjustments under the Equality Act 2010 (the Act). I've taken the Act into account when deciding this complaint - as it's relevant law – but I've ultimately decided this complaint based on what's fair and reasonable. If Mr A wants a decision that First Direct has breached the Act, then he'd need to go to Court.

First Direct needs to fulfil its obligations in relation to fraud prevention and security. And whilst every case is different, having looked at all the circumstances of this complaint including the information that First Direct has provided to this service in confidence, I think that it was fair and reasonable for First Direct to block Mr A's and Miss A's account and ask them to attend a branch with identification to ensure the security of their account.

Mr A told us that Miss A suffers with a mental health condition that prevents her from leaving the house or speaking on the telephone. So, Miss A can't comply with First Direct's request to visit a branch. But when asked by our investigator Mr A has failed to provide any evidence to support this explanation. I note too from listening to a call recording of a phone call Mr A had with First Direct on 2 June 2024, and looking at emails, Mr A has declined to engage with it regarding Miss A's additional needs. So, its only option, based on the information it had, is to inform him he needs to go to branch with Miss A.

In summary, having looked at all the evidence, I haven't seen anything to show that First Direct would have treated another customer with similar circumstances any differently than Mr A and Miss A. After looking at all the evidence, I've not seen anything to suggest First Direct treated them unfairly when it decided to block their account and ask them to attend a branch. Mr A can contact First Direct concerning any additional needs and I would urge him to do so.

### **My final decision**

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A and Miss A to accept or reject my decision before 26 May 2025.

Sharon Kerrison  
**Ombudsman**