

## **The complaint**

Mr L complains HSBC UK Bank Plc trading as first direct bank withdrew its text balance service without doing a proper assessment or consulting vulnerable customers and that it didn't deal with his complaint properly.

## **What happened**

Mr L has an account with first direct and has been a customer for over 20 years – happily so. He's told us that he's neurodiverse and gets anxious using online services, in addition to living in an area where he has poor network signal. He's also told us that he used to use first direct's text balance service a lot as it helped remind him if he was going to go overdrawn.

Mr L has described himself as "very digitally phobic" and has told us he doesn't have a computer at home, only a work computer, and that he is only able to access first direct's app on his mobile and does so only when absolutely necessary. He's told us he's been the victim of cyber-crime and this impacts how he does his banking.

Mr L says first direct told him in June 2024 that it was going to be withdrawing its text balance service. He says the service was withdrawn on 10 August 2024.

Mr L complained to first direct on 4 July 2024 saying that it shouldn't be withdrawing the service. He asked first direct it had done an Equality Impact assessment before deciding to do so and if it had consulted with vulnerable customers. He also said that he considered the service to be a "reasonable adjustment" for him.

First direct says it looked into Mr L's complaint and one of its agents tried to call him on 6 July 2024 but they weren't able to speak to him. So, the agent issued a final response that day saying that the service would unfortunately no longer be available and it wouldn't be able to switch it back on. Mr L was unhappy with first direct's response to his complaint, and the fact that no-one had discussed the complaint with him before referring him to our service. He asked to speak to someone and says the same thing happened – all he got was a voicemail. Mr L complained to us about first direct withdrawing its text balance service and the way it had handled his complaint saying that it was becoming a pattern with first direct.

One of our investigators looking into Mr L's complaint and said that they were satisfied that first direct had carried out a detailed analysis before withdrawing the service, including the risks associated with the service and the risks associated with withdrawing it, and had considered the impact on vulnerable customers as part of that process. In the circumstances, our investigator didn't think that first direct had acted unreasonably. Nor did they think first direct had handled Mr L's complaint unfairly. Mr L was unhappy with our investigator's recommendation and asked for his complaint to be referred to an ombudsman for a decision. His complaint was, as a result, referred to me.

## **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.

Earlier this month I issued a provisional decision in which I said I was satisfied first direct had carried out a detailed review before it decided to withdraw its text balance service and that there had been extensive consideration of the impact on vulnerable customers amongst other things. In other words, I said I didn't agree that first direct had carried out a tick box exercise or that it needed to do more by way of a review. I did, however, say that I could see first direct decided to exclude a small group of customers from its decision to withdraw its text balance service from 10 August 2024. And that first direct planned to give further thought to what to do with that group of customers – broadly speaking vulnerable customers who had fewer alternatives available to them because, for example, they're unable to use alternative digital channels. I said I would have expected first direct to have included Mr L in this small group before he complained and, if not before, to have done so after he complained. And that first direct had missed an opportunity when Mr L complained to properly understand his concerns and needs as a consumer. For those reasons I thought that Mr L wasn't given the time he should have been to explore other options and prepare for change. In the circumstances, I said that I was minded to uphold Mr L's complaint and award him £300 in compensation for the unnecessary distress and inconvenience he's been caused.

Both parties were invited to reply to my provisional decision. First direct didn't do so. Mr L did and told me he was happy with what I'd said. Having reconsidered everything again, I remain of the view that this complaint should be upheld.

### **Putting things right**

I also remain of the view that first direct should pay Mr L £300 in compensation for the unnecessary distress and inconvenience he's been caused.

### **My final decision**

My final decision is that I'm upholding this complaint and require HSBC UK Bank Plc trading as first direct bank to pay Mr L £300 in compensation for the unnecessary distress and inconvenience he's been caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 20 May 2025.

Nicolas Atkinson  
**Ombudsman**