

The complaint

Ms P complains that HSBC UK Bank Plc provided her with poor service when she contacted them to set up a direct debit payment towards her credit card.

What happened

In late 2024, a number of calls were made to HSBC in connection with Ms P's account. It seems some were to enquire about a balance transfer, and some to set up a direct debit. However, during one of the early calls, HSBC had concerns about the identity of the caller, as it seems they were not able to provide details relating to the password on Ms P's account, and they believed it was a gentleman calling.

Further attempts to pass security on Ms P's account also failed, so HSBC added an account restriction until they had the opportunity to verify Ms P in person. They explained that Ms P would need to visit a HSBC branch with photographic identification, along with her debit card and her mobile phone, so that HSBC could carry out necessary security checks.

Ms P was advised by HSBC of details of her local branch, which she attempted to visit to complete the checks, but upon arriving at the branch, she found they were closed for renovations. Unhappy with this, she raised her concerns with HSBC, who gave her details of other branches she could attend. But Ms P said this wasn't possible due to her disability, and she felt her time had been wasted.

Shortly after Ms P's local branch re-opened, she attended, but she said that after waiting around an hour, she was told that unfortunately she could not be seen, and she would have to make an appointment. Around a week later, Ms P successfully passed HSBC's security checks in branch, and made a payment towards her account, and set up the required direct debit. But the direct debit could not go through in time for the December 2024 payment, so it was subsequently set up to leave her account from January 2025, and other payment arrangements were made.

While matters had been resolved to some extent, unhappy with the service she had received, Ms P complained. She said HSBC should never have told her to visit her local branch, as it should have been clear to them it was closed for renovations. She said she wasn't made aware she needed to make an appointment to complete security checks, and she was only advised of this after an hour of waiting in branch. She was concerned that the direct debit payment not going through in time for December's payment, might impact her credit file.

HSBC responded. They apologised that they had not informed Ms P that her local branch was closed for renovations. But they the department she called was in another part of the business, and they weren't made aware of individual branch closures. In relation to the December direct debit, they agreed to adjust any interest and fees that Ms P would have incurred for any late payments, and they said they would ensure that no missed payments for November and December 2024 were reflected on Ms P's credit file.

HSBC also agreed that Ms P shouldn't have been advised she needed to make an appointment to carry out the required security checks, and she should have been able to attend any branch with the required documentation. So, they were disappointed to hear that that she had been advised as such, especially after waiting in branch for an hour. So, as well as removing the arrears from her account, and adjusting her credit file, they paid Ms P £50 to compensate her for their failings in that regard. Ms P however felt this did not go far enough, so she brought her complaint to our service.

An investigator considered the matter, but ultimately, didn't think Ms P's complaint should be upheld. He said that he was satisfied that the department Ms P spoke with would not have been made aware of specific branch closures, so he didn't think it was fair to hold HSBC liable for that. And while he accepted there were shortcomings – in terms of the incorrect advice HSBC had given Ms P about making an appointment – ultimately, he felt the £50 compensation HSBC had awarded in the circumstances was fair. Ms P remained unhappy however, so the case has been passed to me, an Ombudsman, 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.

Firstly, I'd like to say I'm sorry to hear of the difficulties Ms P faced in getting access to her account. I imagine this must have been a frustrating time, especially, given what she's told us about her disability.

Turning first to the issue of Ms P accessing her accounts. While this has not been contested as such, for clarity, having listened to the calls in question, I'm satisfied that it wasn't unreasonable for HSBC to have had concerns with allowing the caller to access to the accounts, given that the relevant security questions had not been answered correctly. So, I've gone on to consider the service that followed.

When the caller in late 2024, was unable to answer the security questions correctly in order to access Ms P's account, HSBC had an obligation to secure Ms P's account, in case it was indeed an unauthorised person trying to obtain access. That's what HSBC did in this instance, and they required Ms P to visit a branch in person in order to remove some of the restrictions on accessing her account. I'm satisfied this was normal practice. It was agreed that Ms P would visit her local branch to provide identification and complete HSBC's security checks, so that she could continue accessing her account normally.

It's unfortunate that during this time, Ms P's local branch was closed for renovation, and Ms P was not made aware of this by HSBC. But HSBC have explained that branch closure information isn't shared with their part of the business, so they wouldn't have been aware that Ms P's local branch was closed at the time it was agreed that she visit there, and I have no reason to disbelieve what they've told me. So, I'm not persuaded I can fairly hold HSBC responsible for the initial unnecessary visit at this time. I am sorry that Ms P however experienced this issue, and that she had to visit the branch on more than one occasion. I appreciate this must have been difficult for her.

When Ms P's local branch did re-open, having waited a while, Ms P was told that she would need an appointment in order to run through HSBC's security checks, and have full access to her account restored. This seems to me to be unusual practice, given it seems Ms P had turned up at the branch with the required documentation as advised to. So, I'm pleased to see that HSBC have accepted that the wrong advice was given here. I can also see that HSBC paid Ms P £50 in compensation for the wasted trip.

I appreciate what Ms P has told us about her personal circumstances. And she has mentioned that she had to pay transport costs to get to the branch, so she feels the compensation should be higher. But while there were some shortcomings on HSBC's part in giving poor advice, ultimately, it wasn't HSBC's fault that Ms P had to visit a branch in the first place. So, I think there would have always been some associated travel costs. There was, however, some time wasted as a result of the incorrect advice HSBC gave. But on balance, I'm satisfied that the payment of £50 was adequate compensation to recognise this in the circumstances.

I understand that Ms P was also concerned that, a result of not being able to set up her direct debit in time for the December payment might be that her credit file was negatively impacted. But HSBC have confirmed that they would remove any arrears associated with the November and December payments from Ms P's account; and, they said they have ensured that there has been no impact to Ms P's credit file in relation to these month's payments.

So, while I appreciate this may come as a disappointment to Ms P, I'm satisfied that the actions that HSBC have taken, have put Ms P back in the position she would have been, if not for the small error in communication on HSBC's part. And, overall, I think the compensation HSBC paid Ms P in the circumstances, fairly reflected the inconvenience caused. So, for these reasons, I won't be asking them to do anything more.

My final decision

My final decision is that I do not uphold Ms P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 27 August 2025.

Brad McIlquham
Ombudsman