

The complaint

Mr S is unhappy with HSBC UK Bank Plc. He said it stopped a valid transfer payment going through, restricted his account access and didn't return his calls. He said the service he received was poor. Mr S lives abroad and he found the whole thing time consuming and frustrating.

What happened

Mr S said in the end it took three days to complete the transfer. He said HSBC failed to follow its own procedures and he was unhappy that it suspended his account.

Mr S asked HSBC to explain and was unhappy that it wouldn't give details as it said the matter was commercially sensitive. He noted it said the transfer had been held for security checks and it would attempt to contact him, but this never happened. Mr S said the only detail he got was a letter in the post the following month telling him the payment had been held up. Before then he had made numerous attempts to contact HSBC and had resolved the matter.

Mr S said the delay in getting access to his funds could have been financially costly. He concluded he hadn't been given an adequate explanation, HSBC had been high handed and even worse the same situation could occur again in the future. Mr S asked for HSBC to apologise and improve its procedures.

HSBC said the payment was held by its fraud detection team for additional checks. It said it couldn't confirm the cause as the information was commercially sensitive. But said this was to protect customers and the bank. It said it remained compliant within the timescales in the Payment Service Directive (PSD).

HSBC said it had no way of knowing in advance of a payment being made if it would be held up for further checks. It also confirmed there was *"no way to guarantee any future payments you make won't be held for further review."* It said each payment was individually assessed and it couldn't pre-approve customer initiated payments.

HSBC said on this occasion it hadn't made any errors, and the payment was released as requested.

Mr S remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. She said HSBC had followed its obligations to keep customers money safe and avoid fraudulent transactions. Our investigator said this can involve blocking legitimate payments but didn't mean HSBC had acted unfairly. She said it was fair that HSBC admitted this could happen again in the future. She said HSBC hadn't done anything wrong, and acted in line with its terms and conditions. In terms of the service our investigator noted HSBC confirmed it had attempted to call Mr S, but the line was busy when it tried, and she didn't find a record on the call the following day that Mr S had requested a call back.

Mr S didn't accept this and asked for his complaint to be passed to an ombudsman for a final 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.

I have read and reviewed all of the evidence put forward on this complaint. But I am only going to comment on the central points that I see as key.

Mr S was clear that he was upset. He found the whole thing time consuming, frustrating and expensive as he lives abroad and had to make calls to HSBC. He felt the customer service should have been better.

HSBC said it *"takes security and fraud very seriously and we have fraud prevention policies, procedures and tools in place to identify and prevent fraud at the earliest opportunity. Whilst we aim to keep security checks to a minimum, they unfortunately remain a necessity. To set our customers' expectations, we provide a disclaimer when payments are made which explains they are subject to fraud checks and there is no guarantee that they will be released immediately."*

It continued *"Our Fraud Team has a duty of care to ensure payments are being made as intended by our genuine customers."* It maintained giving out specifics regarding the system would *"compromise the integrity of our fraud prevention process."* I accept that, I think HSBC make a reasonable point here.

In terms of service HSBC said when Mr S contacted it, he asked the agent to return his call as he was calling internationally. It had a record and was clear that it attempted to do just that. But it confirmed it had been unsuccessful as the line had a busy tone when dialling outbound. It said after a further call made by Mr S verification was passed and the payment was accepted, re-entered on his behalf and then went through successfully.

It said calls were the way to resolve these situations as to complete payment checks there's sensitive information to be discussed. HSBC find the calls allow it to fulfil its obligations under the Regulations and FCA guidelines. It backed this up by stating *"It is not unreasonable for HSBC to implement policies that involve specific channels of communication where this is to protect our customers."* I think that's fair and reasonable.

I can understand why Mr S doesn't feel like he's had a full explanation. He makes a fair point. But this service accepts that HSBC needs to keep certain information around these processes to itself to ensure it isn't compromised by fraudsters. There's no doubt the lack of details isn't what Mr S is looking for. But I don't find that HSBC has acted unfairly or unreasonably here I understand its position, and it is very similar across the rest of the banking market.

I noted from the phone calls that on numerous occasions Mr S suggested during calls that HSBC should call him back. On one occasion this was during the security checks near the start of the call, and it seemed HSBC felt it was important to try and deal with Mr S's situation there and then which I think was fair.

On one occasion where Mr S ended up calling the bank again, he was expecting a call back and he said so. HSBC on the call immediately responded stating there was a record that the call back had been attempted, and the line had been busy. I don't think Mr S accepted that was the case but I've no reason to question HSBC's record of this.

It did take a further call from Mr S to release the payment, and this was at the point when all the security requirements were dealt with. I realise with the account suspended this would potentially make life difficult for Mr S, but it is in line with HSBC's fraud procedures. So, I can't say it was unfair or unreasonable in relation to its actions or the time it took to resolve the matter.

There were some security issues during a call that took a little while to resolve. But once these were resolved the account was again available and the payment completed.

I appreciate and understand Mr S's position on the calls and wishing to be called back but there's a record of attempted call back and I don't think I can expect HSBC to do anything more.

As I don't think HSBC did anything wrong I don't think it needs to take any further action. In relation to its processes this service can't insist that it change these. That would only be something the regulator The Financial Conduct Authority (FCA) could consider.

My final decision

I don't uphold this complaint.

I make no award against HSBC UK Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 19 December 2025.

John Quinlan
Ombudsman