

The complaint

Mrs W is unhappy with HSBC UK Bank Plc trading as First Direct.

Mrs W opened a new account with First Direct to take advantage of its switch incentive of £175. She arranged to switch from her old account with bank "S." Mrs W said she did everything correctly, but when she checked a few days later she found none of the direct debits, her one standing order or the beneficiary payments had been transferred over.

What happened

Mrs W complained to both S and First Direct. I won't go into detail about the complaint with S as that has been dealt with entirely separately.

Mrs W confirmed she had opened the new bank account with First Direct on 15 July 2025. And as a precaution she took screenshots of the payments in her account and downloaded copies of her bank statements from the beginning of the year. Mrs W had a record of what she needed to do to get the £175 switch incentive. To account for this she also transferred in some money to the account from another source to comply with the terms of the switch.

After a discussion with First Direct about the dates that applied Mrs W transferred in some more cash to again make sure she complied with the switch requirements. However, the required transfer of her payments didn't take place when they should have done as there was a problem with the transfer.

First Direct apologised. It confirmed the problem had been with S. S said the error happened with its systems and this impacted on some customers who were switching out on that particular day. So, S didn't send across Mrs W's details.

First Direct confirmed as Mrs W was covered by the current account switch guarantee it would refund any charges or interest incurred due to the failure of the switch completing.

Mrs W remained unhappy and brought her complaint to this service.

Our investigator didn't uphold the complaint. She said First Direct hadn't made an error and the problems were not its fault. She said Mrs W hadn't lost any money or faced any charges or fees due to the problems either. Our investigator noted First Direct had honoured and paid the £175 switch incentive payment too. She accepted the errors that did occur were outside of its control.

Mrs W didn't accept this and asked for her 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.

This is an informal service so I'm not going to comment on everything included within this complaint. Instead, I'm going to stick to what I think are the central points that apply. I can confirm all of the evidence provided by both sides has been considered.

Mrs W said she hadn't lost any money as far as she was aware. But she said this was more about the impact on her and the annoyance and frustration caused. Mrs W felt there was a lack of support offered by First Direct. She said there was no contact from First Direct to keep her informed about the direct debits or any other payments as they were supposed to come across to her new account.

Mrs W mentioned ongoing problems with other mandates being declined. But I'm afraid that wasn't part of the original complaint so I can't deal with any later issues as part of this complaint.

First Direct confirmed Mrs W had arranged her switch correctly through the Current Account Switch Service (CASS). But it was clear that the mistakes with the direct debits and other payments were with S at the other end of the process and it wasn't something First Direct could control. It said S should have transferred all of Mrs W's payments across for her and First Direct had made no error.

First Direct said when Mrs W asked it about the problem it explained what had happened with S. But it couldn't act to rectify the matter this was also down to S to resolve. It apologised and confirmed Mrs W could complain to S and to First Direct.

I can understand why Mrs W felt she wasn't getting the support she needed. She was left unsure of what was going to happen next, how the matter was going to be resolved, and didn't know if this was going to be an ongoing problem.

But I see from the evidence that First Direct wasn't at fault. It's clear that the issue was with S and First Direct wasn't able to take any action to rectify the problem. It was down to S to do that. So aside from explaining what had happened, which it did, I don't think there was much more First Direct could do at that point.

I note First Direct did apologise and it did still honour the £175 switch incentive Mrs W was looking for when she moved accounts. I think that's fair and reasonable.

My final decision

I don't uphold this complaint.

I make no award against HSBC UK Bank Plc trading as First Direct.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 24 February 2026.

John Quinlan
Ombudsman