

## **The complaint**

Mr M complains that HSBC UK Bank Plc blocked a payment he tried to make from his current account, and that its customer service was poor when he tried to sort things out.

## **What happened**

Mr M banks with HSBC. On 28 June 2025 he tried to transfer £400 to a friend using HSBC's banking app. HSBC's fraud systems blocked the payment and sent Mr M a text message asking him to call the bank.

Mr M called HSBC as directed. Its system recognised the number he was calling from and asked him to repeat a phrase so its voice recognition system could verify him and pass him through security checks. Mr M did so and his call was transferred to an agent.

Mr M says the agent told him he had failed voice verification even though he'd followed the process correctly. He says the agent was rude and unco-operative and wouldn't agree to verify Mr M by other means. He says the agent hung up on him.

Mr M therefore called back. This time he passed security with no problems, explained that the £400 payment was genuine, and was told the money would be released.

The next day, Mr M's friend told him that the payment still hadn't arrived. Mr M tried to log into the banking app to check but his access had been suspended. He called HSBC for a third time and was told he would have to visit a branch with proof of ID. Mr M says that this agent was also unhelpful.

Mr M says that as a result he had to take half a day off work to visit a branch. He did so on 30 June. After a lengthy process in the branch, the account suspension was lifted. But by this time Mr M had made the payment by other means.

Mr M complained to HSBC. He said the payment was legitimate in the first place. The first agent he spoke to was rude and unprofessional and refused to go through security with him to release the payment. The second agent tried to be helpful, but because the first agent had by then blocked his account there was nothing he could do. The third agent unnecessarily insisted he had to visit a branch, which caused him much inconvenience and wasted time. He said he had been made to feel like he was engaged in wrongdoing and the experience had undermined his confidence in HSBC. The delay in making a payment had also strained the relationship with his friend. He said he felt humiliated to have to visit a branch to ask for access to his own money.

HSBC said it had automated systems in place to prevent possible fraud, which had flagged up the payment. It said that the first agent was right to say that there was nothing that could be done and that Mr M would need to visit a branch, because he had failed the voice verification security check. Mr M spoke to the second agent almost immediately afterwards – although he was verified this time, it was too late. But the second agent hadn't been able to see that the first agent was already in the process of reversing the payment. It said the second agent shouldn't have told Mr M the payment would be released, though she had tried

to call Mr M back to explain. It offered £100 compensation.

Mr M wasn't happy with that and brought his complaint to us. On further reflection, HSBC offered to increase the compensation to £200. Our investigator thought that was a fair offer. Mr M didn't agree and asked for an ombudsman to review his complaint.

### **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'm sorry to hear of Mr M's experience, and I can appreciate how frustrating it was. But I also think that HSBC has made a fair offer to settle this complaint. I'll explain why.

It's important that banks have robust systems in place to detect and prevent fraud. It's not possible for every transaction to be checked manually, and so – like all banks – HSBC has automated systems in place. The systems check transactions against various criteria. Where a payment is caught by the system, it's temporarily blocked and a message is sent for the customer to contact HSBC. I appreciate that the payment was genuine and not fraudulent in this case. But from time to time genuine payments will be held up; that's unfortunately inevitable and it's best for HSBC's system to err on the side of caution. And it's inevitable that where this does happen, that will result in some inconvenience to the customer – which I'd expect HSBC to minimise as far as possible.

When the payment was blocked, Mr M was sent a text message. He called HSBC. On the first call, the agent asked what the transfer was for. He said that the system still needed to verify Mr M's voice but would do so during the conversation. The verification wasn't passed, so the agent said he couldn't carry on with the conversation and Mr M would need to visit a branch with photo ID. I don't know why the system couldn't recognise Mr M's voice. The line he was calling from wasn't that clear, and Mr M himself wasn't speaking that clearly.

Mr M said he could answer any questions but the agent said he wouldn't be able to go any further. Mr M was clearly upset and frustrated, but I don't think the agent was rude or unprofessional. Because Mr M's voice wasn't verified, the agent couldn't go ahead. I don't think that was unreasonable. HSBC was following its security checks and processes. Mr M says that the agent should have tried to verify him in some other way. But HSBC is entitled to decide what security checks it requires, and on this occasion Mr M didn't pass it.

As a result, the first agent couldn't release the transaction. In those circumstances, because there's a risk someone else might be trying to gain access to Mr M's account, HSBC blocks the account and requires the customer to go to a branch with photo ID.

Following the first call, Mr M called HSBC again almost immediately. The second agent made some checks, warned Mr M about the risks of scams, and agreed to release the payment. The call ended. Unfortunately, however, that conversation clashed with action the first agent was taking following the first call. When the second agent tried to release the payment, she couldn't because by then the first agent had blocked Mr M's account.

That led to the third call, the following day, when Mr M tried to access his account via the banking app and found that he couldn't. The agent on this call told him he would need to visit a branch. When Mr M did this the next day, his account was successfully un-blocked.

### **Putting things right**

I'm sure all of this was deeply frustrating for Mr M. But I'm afraid I don't think, overall, that

HSBC acted unfairly. As I say, it's required to have robust anti-fraud and security systems in place to protect customers. In this case the system identified a genuine payment as potentially risky, and then couldn't verify Mr M via his voice. That caused Mr M some inconvenience, because his account was temporarily unblocked and he had to visit a branch. But while this was upsetting and inconvenient for Mr M, I don't think it was because of anything HSBC did wrong. It's sadly inevitable in the current era that the need for robust anti-fraud systems will from time to time cause customers inconvenience. And I don't think HSBC acted unfairly in all the circumstances of this complaint.

However, I do think that on the second call Mr M was given incorrect information. He was told the payment could be sent when that wasn't in fact the case. Given the closeness in time between the two calls I can understand how that came to happen. But HSBC recognises that the result was that Mr M wasn't given as good a service as it would like. It's offered £200 compensation, which I think is fair.

### **My final decision**

My final decision is that HSBC UK Bank Plc should pay Mr M £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 5 January 2026.

Simon Pugh  
**Ombudsman**