

The complaint

Miss B complains that HSBC UK Bank Plc didn't notify her that it had placed a block on her debit card.

What happened

Miss B had a current account with HSBC. On 5 July 2025 HSBC stopped a card payment she attempted to make in a store and added a block to her debit card. It didn't notify her of this block or contact her regarding it.

Miss B attempted to make further card payments unsuccessfully on 6 July, 7 July and 8 July 2025 and initially thought this was a technical issue. On 8 July, Miss B contacted HSBC and it explained there were fraud concerns, verified her recent transactions and removed the block. Unhappy with the block and the communication surrounding this, Miss B raised a complaint.

HSBC responded explaining that a fraud detection system had stopped the transaction and a block was placed on her card. It said this was a standard part of its fraud prevention process. However, it apologised for the fact that Miss B hadn't been notified of the block.

Miss B remained unhappy and brought her complaint to our Service. She said the lack of communication about the block was the crux of her complaint and she felt like HSBC had missed the point when it explained the reason for the block itself. She also noted this wasn't the first time HSBC had blocked her card without telling her. She said she relied on her account for essential payments such as bills and utilities and that important transactions weren't processed, in particular direct debits, due to the block. She said the block forced her into her overdraft, impacted her credit rating and she'd had to ring service providers to explain why her payments were late.

Miss B also explained she was unhappy with how HSBC had handled her complaint, including its refusal to speak with her on the phone. She also noted that she'd been given inaccurate information about the timescales for a response in relation to a separate complaint she'd raised with HSBC. She said she felt like previous interactions with HSBC's complaints team had impacted her mental health.

Miss B described difficult personal circumstances and mental health conditions which meant this complaint had had a significant impact on her. She mentioned being embarrassed and stressed by having her card blocked and anxious about whether she had access to her funds. Miss B also explained she'd spent time chasing HSBC about this issue. She said that despite telling HSBC about her personal circumstances and mental health conditions, it failed to make the necessary adjustments.

Our Investigator looked into things and upheld the complaint as they felt HSBC ought to have notified Miss B of the block. They couldn't see any blocked direct debits or overdrawn balance at that time but they noted there were eight card payments declined. They also said that Miss B hadn't shared any information regarding her personal circumstances or mental health conditions with HSBC until 23 July 2025, after the complaint had been raised and

responded to. So, our Investigator said they weren't persuaded HSBC had acted unreasonably in failing to adapt the way it had communicated with her. They recommended HSBC pay Miss B £100 for the distress and inconvenience caused by its communication error and write to her to acknowledge the essence of her complaint and apologise.

HSBC agreed to pay Miss B £100 for the distress and inconvenience caused but didn't think it was fair for our Investigator to ask it to apologise in writing once again to Miss B. And Miss B didn't think £100 was sufficient compensation given the distress and inconvenience caused.

So, the complaint was passed to me 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.

In this decision I am considering the block that occurred on 5 July 2025, as covered in the final response letter dated 10 July 2025. I note that Miss B has made some references to other blocks HSBC has placed on her account previously. My understanding is that this has been done for context and to explain the impact of this further block on her. However, if Miss B wishes to raise a complaint with our Service about other blocks, she will need to do this separately by contacting our Investigator.

Miss B's card payment was automatically blocked by HSBC's fraud prevention systems, and it placed a block on all similar card payments until it was satisfied this was an authorised payment. And I think this was fair in the circumstances as the automated system it has in place aims to protect customers' accounts and prevent fraudulent transactions – something it's obligated to do.

These security measures mean genuine payments can be blocked, as they were for Miss B here. And whilst this can be frustrating, this alone doesn't mean the bank has acted unreasonably. So, whilst I understand it was embarrassing for Miss B to not be able to make her payment via her HSBC card on 5 July, and that she had to spend time verifying her transactions with HSBC, I wouldn't ask HSBC to compensate her for this.

Where HSBC has agreed that it made a mistake is in not notifying Miss B of the block to her card. So, I'm satisfied there was an error here. Which means I need to consider the impact of this.

Whilst Miss B suggested she had essential bill payments rejected as a result of this block, I have seen no evidence of this. The evidence I have seen indicates a direct debit was paid whilst the block was on. Miss B's online banking was working, and she was able to transfer money internally and externally, so I'm satisfied HSBC isn't responsible if she went overdrawn as I think she had the tools and information available to her to manage her finances. Miss B has also confirmed that she had a bank account with another provider that remained functional during this time, and she was able to use it to complete the initially blocked transaction. I'm therefore not persuaded she was prevented from accessing her funds or making payments.

That being said, I can see she had a number of attempted card payments via HSBC which were declined and I recognise this would have been inconvenient and distressing. Given Miss B had received no notification that HSBC had fraud concerns, I can understand why she attempted some further payments believing the matter to be a potential technical issue. However, I also think Miss B had the opportunity to mitigate this impact by contacting

HSBC sooner about the issues she was experiencing – which means I think some of these declined payments and the associated distress might have been avoided.

The evidence I've seen indicates HSBC was not made aware of Miss B's mental health conditions or personal circumstances at the point this block occurred and so this isn't something I'd have expected it to consider. That being said, I think that Miss B's personal circumstances and vulnerabilities, and the fact the evidence indicates this is not the first time HSBC has failed to notify her of a block, has made the impact of this error greater. Given this, I feel that £100 compensation for the distress and inconvenience caused is a fair award.

When thinking about the impact of all of this on Miss B, and what a fair remedy is, I'd also note that HSBC acknowledged and apologised for the lack of a block notification in its FRL. And for this reason, I don't intend to direct HSBC to write to Miss B any further in relation to this error.

I also note Miss B has made some references to the way HSBC has handled this complaint and others. Complaint handling is not an activity that our Service is able to consider. So, I can't comment on this or make any award for it.

My final decision

My final decision is that I uphold this complaint. I direct HSBC UK Bank Plc to pay Miss B £100 for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 20 January 2026.

Jade Cunningham
Ombudsman