

The complaint

Ms G complains that HSBC UK Bank Plc blocked her account. She would like compensation for the delays and financial hardship caused.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reason for my 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.

Having done so I've decided to partially uphold this complaint. I'll explain why below.

- HSBC has extensive legal and regulatory obligations which UK legislation places on it as a regulated financial business. Including the responsibility to protect its customers from financial harm and to prevent and detect financial crime.
- To comply with these obligations HSBC placed a restriction on Ms G's account and sought information from her about some of the payments she had made. They tried to contact her by phone and then by letter. HSBC blocked Ms G's online banking facilities whilst it reviewed the payments it had concerns about. Ms G's account was blocked for online payments from 21 April 2025.
- HSBC has said that due to an error it didn't lift the restrictions on Ms G's online banking until 4 July 2025 despite the review having been completed on 24 April 2025. I'm satisfied looking at the evidence and the terms and conditions of Ms G's account that HSBC were entitled to block Ms G's online banking access and request information from her. So, I don't think they have done anything wrong by carrying out a review and requesting information. However, HSBC have admitted that they made an error and delayed the lifting of the restrictions on online banking. They have offered £150 compensation.
- Ms G told us that she was abroad at the time receiving medical treatment and she also was helping organize her daughter's wedding abroad. This meant she needed to access funds in her account which she normally does through online banking. Ms G said she was stranded abroad unable to pay for her medical treatment and her daughter's wedding expenses. Ms G has said this had a detrimental effect on her physical and mental health.
- I can see that Ms G was very concerned about not having access to online banking, which was her preferred method of accessing her bank account whilst abroad. She made numerous phone calls to the bank explaining her situation.
- Ms G made a data subject access request (DSAR) to HSBC. She has said HSBC

haven't given her all the information they should have, in particular call recordings of the calls she made which would show how distressed she was by the ongoing block on her account. Ms G has said she has referred the matter to the Information Commissioner.

- Even though the calls Ms G refers to aren't available I accept that Ms G was very distressed and unhappy that she was unable to access online banking during her time abroad. I have also looked at her medical evidence that she has provided.
- I appreciate Ms G was very concerned about her health at the time and worrying about her banking can't have helped her situation.
- HSBC have said Ms G could have used ATMs, her cash card and telephone banking so she wasn't without access to her funds. Ms G has said she would have faced substantial exchange rate fees if she had used ATMs or her card to pay for things abroad. Instead, she borrowed money from family and friends in order to cover her expenses.
- I am very sorry to hear Ms G was unwell and that having her online banking restricted whilst abroad was very difficult for her and it affected her mental health.
- Ms G thinks HSBC's offer of £150 is inadequate. I have considered her position. I know Ms G would have preferred to access her funds through her online banking, but I'm satisfied she wasn't without access to her funds as she could use ATMs and her card. Even though, as she has said, this would have been more expensive and inconvenient as card payments aren't as freely accepted where she was abroad. Ms G also said she had borrowed money from family. In doing so she has mitigated her loss which is what I would have expected her to do.
- In summary, having reviewed the evidence I'm satisfied HSBC were entitled to review the account payments. They agreed they should have unblocked the online banking sooner. I consider the offer of £150 to be fair. In doing so I have taken into account that Ms G did have access to her funds even though not in her preferred way. She has mitigated her losses by borrowing money from family, which is what I would have expected her to do. Ms G did have access to her funds and could have used them, but she chose not to do so, that was her decision, and the bank can't be held liable for that so, I won't be asking them to do anything else.
- Ms G said she wanted to know why her payments were flagged for review and she wanted the bank to share their internal policy. As the investigator has said this is commercially sensitive information and we wouldn't expect HSBC to share it with Ms G. So, I don't think HSBC have done anything wrong in not giving her this information.

My final decision

My final decision is I partially uphold Ms G's complaint. I direct HSBC UK Bank Plc to pay Ms G £150 as compensation for her distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G to accept or reject my decision before 18 March 2026.

Esperanza Fuentes
Ombudsman