

The complaint

Mr S complains about the actions taken by HSBC UK Bank Plc trading as first direct after he reported scam concerns. He says first direct is discriminating against him as a disabled customer and causing him money problems.

What happened

On 30 August 2025, Mr S contacted first direct via its chat service to report a payment he believed was a scam and asked for it to be cancelled. As a result, first direct temporarily suspended his online and mobile banking access, in line with its procedures and its duty to protect customers' funds.

On 5 September, first direct restored Mr S' read-only online access allowing him to use its chat function and view transactions. But it explained that it still needed to speak with him to fully understand the situation before removing all account restrictions – and suggested how he could do this, despite his disability.

When first direct said it couldn't cancel the payment Mr S had reported as a scam without first speaking to him, he brought his complaint to us. He said he was worried about missed payments and accruing interest charges and that he'd been left unable to buy essential food.

Our investigator felt that first direct had treated Mr S fairly and reasonably. He was satisfied that first direct had offered reasonable adjustments to help Mr S communicate with the bank about the scam concerns, and that it was acting in line with its responsibility to protect the money in Mr S' account.

Mr S disagreed with the investigator's view, so the complaint has been 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.

Having done so, I've decided not to uphold Mr S' complaint. I'll explain why.

My role is to reach an independent decision based on the facts of the case. In order to uphold the complaint, I would need to find that first direct made an error or acted unfairly or unreasonably, and that this caused Mr S financial loss or another form of detriment.

I've focused on the points I consider most relevant to reaching a decision. While I may not refer to every detail raised in the correspondence, I've considered all the evidence provided. The key issue I need to decide is whether first direct treated Mr S fairly and reasonably overall.

The key background facts aren't in dispute. first direct applied restrictions to Mr S' account, which limited his access to the funds. So I don't need to say more about what happened.

As I understand this complaint, Mr S' main concern is that first direct has failed to take his disability into account and so is discriminating against him.

Our service can't determine whether discrimination has occurred under the Equality Act 2010, as only a court can make a formal legal finding about this. However, I've taken the relevant law (including the Equality Act 2010), regulatory requirements and good industry practice into account when deciding whether first direct acted fairly and reasonably.

first direct has legal and regulatory obligations, including requirements imposed by the Financial Conduct Authority (FCA), to take reasonable steps to protect customers' money. Having reviewed Mr S' chat history with the bank, I can understand why first direct restricted the account to protect the money in it after he raised concerns about a possible scam payment.

How a financial business designs and applies its internal processes falls within the FCA's oversight, not ours. It's for first direct to decide how it meets those obligations. Its terms and conditions, which Mr S agreed to when opening his account, allow it to restrict access in situations like this.

That said, I would still expect first direct to treat Mr S fairly and reasonably - and I'm satisfied it did. While I'm sorry to hear about the financial difficulties Mr S has experienced, only his online and mobile access was suspended. His read-only access was restored promptly, allowing him to monitor his account. And importantly, Mr S continued to have other ways to access his money, including via telephone banking (with the option of assisted communication) or in branch. Regular authorised payments set up on the account weren't affected by the restrictions.

I also think it was reasonable for first direct to ask Mr S to discuss his scam concerns about the payment further so it could understand the risk. I recognise that his disability may make this more difficult than for other customers. However, first direct provided information about several support options, including a third-party service to facilitate telephone communication. It also mentioned the possibility of setting up a Power of Attorney or other third-party mandate to help him operate his account - which I think was potentially useful advice in these circumstances. As a further concession, first direct also offered (exceptionally) to discuss his scam concerns via its chat service to explore whether this might enable the account access restrictions to be lifted.

In these circumstances, I'm satisfied that first direct has acted fairly and reasonably in maintaining restrictions while it remains concerned that Mr S' money might be at risk.

To sum up, responsibility for taking steps to ensure Mr S' money is kept safe rests with first direct and I am satisfied that it has valid reasons for concerns and that its actions in this situation aren't disproportionate. The onus is on Mr S to contact first direct in one of the ways offered so it can explore whether he is able to address its concerns and his full account access can be restored.

I'm sorry for the distress this situation has caused Mr S. However, for the reasons set out above, I don't find there's sufficient evidence that first direct treated him unfairly for me to be able to uphold his complaint.

Finally, I'm aware that Mr S mentioned being unhappy with how first direct handled a data subject access request ('DSAR'). This wasn't part of the original complaint - and he also told the investigator that this isn't the issue he wanted us to focus on. So I don't plan to say more

about this except to remind Mr S that for further information about data protection rights, the Information Commissioner's Office website may be helpful: <https://ico.org.uk/>.

I hope this explanation helps clarify how I've reached my decision.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 20 May 2026.

Susan Webb
Ombudsman