

The complaint

Ms R complains HSBC Bank UK Plc stopped a payment she was trying to make for fraud checks and then cancelled it altogether.

What happened

Ms R tried to make a payment for £625 which HSBC's fraud prevention measures blocked.

Ms R received a text message asking her to contact HSBC, which she did. Ms R was unhappy with the number of questions she was asked during this call and that following the call HSBC decided to cancel the payment and restrict her account.

HSBC said they hadn't done anything wrong. They said Ms R had hung up before their agent had completed asking the questions required to allow the payment to go ahead. So they cancelled the payment and restricted her account for safety reasons.

Ms R wasn't happy with this response, so referred her complaint to our service.

An Investigator considered Ms R's concerns. He said, having listened to the call, he was satisfied Ms R had ended the call before the security procedure had been completed and HSBC had followed their own process by then cancelling the payment and restricting her account.

Ms R remained unhappy and as she didn't agree HSBC had acted appropriately, the complaint's 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.

The terms and conditions of the account set out the circumstances in which HSBC can refuse to carry out an instruction from their customer. This includes where HSBC have concerns that the transaction might be fraudulent or to protect their customer or themselves from a crime.

Ms R's payment flagged on HSBC's fraud prevention system on 30 December 2022 and they sent a text message to Ms R asking her to call them, which she did. I've listened to this call – which was about ten minutes in length. Ms R was unhappy with the questions being asked and how long the call was taking. In the end, Ms R said "do whatever you want" and ended the call. That was Ms R's choice, but I'm satisfied this agent was correctly following the bank's security procedure. I understand why Ms R was keen for the call to be as quick as possible since she was looking after a young relative at the time and she'd been waiting for the call to be answered for a long time. But I'm afraid I don't agree with Ms R that the agent was prolonging the call unnecessarily.

Because Ms R didn't finish answering HSBC's questions, her payment was cancelled and her account was restricted. I don't think this was unreasonable given that HSBC had concerns about her payment in the first instance, and then wasn't able to complete their security process when they spoke to her. Ms R called back the following day, after finding her account had been restricted and her account was reinstated that day. So I don't think HSBC did anything wrong, but the restrictions were removed within a day anyway.

Ms R was also unhappy that HSBC said they had tried to call her before sending the text message but she said she'd received no missed calls from them. It seems Ms R has been told HSBC did attempt to call her on 30 December 2022, before sending the text message – but this wasn't correct. We've since clarified with HSBC and they've confirmed no call was made before the text message was sent to Ms R. I understand why Ms R thinks they should've called her but HSBC also confirmed there was no requirement under their process to call before sending the text message – so I don't think they've made a mistake. And, even if I thought HSBC should have called Ms R, I don't think this changes the outcome of Ms R's complaint - since HSBC would still have been entitled to block her account if she failed to answer their security questions.

Overall I'm satisfied HSBC treated Ms R fairly.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms R to accept or reject my decision before 12 December 2023.

Eleanor Rippengale
Ombudsman