

## **The complaint**

Mr R complains that HSBC UK Bank PLC trading as first direct blocked payments that he made from his current account and transfers from his savings account.

## **What happened**

In November/ December 2022 Mr R made two payments from his account to a friend on his contacts list. He says the payments were blocked by HSBC and he had to put in a security code to release the payments.

Subsequently in early January 2022 Mr R contacted HSBC to make two transfers from his savings account, clearing the account. These were to two savings accounts which he had opened with another bank. He believed that the payments had gone through. However he contacted HSBC the next day as the payments had not been received. It was explained that the payments had been blocked by HSBC's fraud department. Mr R was understandably annoyed but the customer adviser was able to make the payments for him and ensure that they got through any fraud check. A payment of £25 was made to compensate for the inconvenience, and £2.50 for lost interest.

However one of those payments was blocked by Mr R's receiving bank. Mr R made a complaint about that in particular that HSBC had failed to tell him. Subsequently he received a letter from the fraud department at HSBC asking him to contact it in respect of his payments being blocked. HSBC paid Mr R a further £50 compensation. The payment subsequently did go through.

On referral to the Financial Ombudsman Service, our Investigator noted that, with regard to the two payments Mr R had to enter a security code for, these are part of HSBC's security and fraud procedures and he didn't think that HSBC had made an error. With regard to the two blocked transfers from his savings account, whilst these were again subject to HSBC's fraud procedures, Mr R should nevertheless have been told that the payments had been blocked. He thought that HSBC had made an error here and also in connection with the letter it subsequently sent. Mr R had to spend time on the telephone correcting these. However our Investigator thought that the total payment made, of £77.50 was reasonable compensation.

Mr R did not agree and the matter has been passed to me for further consideration..

## **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.

### *payments to a friend*

I understand that Mr R was frustrated at having to put in a security code to make these payments, as he had made payments to the friend before. I don't know why this happened, it may have just have been a random security check or the payments were flagged up on the

system. However I have seen no evidence Mr R was deliberately targeted. So while I understand that it was inconvenient for him I can't say that HSBC did anything wrong here.

#### *payments from Mr R's savings account*

Having considered the calls when Mr R sought to make these payments and subsequently found they had not gone through, I can well understand his frustration. However these were substantial sums and were likely flagged up as a security or fraud alert. When Mr R contacted HSBC the next day, the customer advisers went through the payments with him again to ensure they went out. However unfortunately, one payment was blocked by the receiving bank, which HSBC could do nothing about. When he contacted HSBC again, it checked the account and discovered what had happened. It set up the payment again and this time it went through. I don't think HSBC was at fault in respect of the payment being blocked by the receiving bank.

#### *sending a further letter*

Mr R received a further letter from HSBC after the payments had been resolved, asking him to contact the fraud department about the blocking of the payments. I can understand his annoyance in that respect, and clearly the letter should not have been sent. At that stage HSBC sent Mr R a further £50.

#### *compensation*

I can understand Mr R's annoyance and frustration. However I think it was just an unfortunate combination of circumstances which led to one payment having to go through a third time. I understand that Mr R had to spend time on the telephone with HSBC to get the matter sorted out. As all banks these days have these procedures I can't say that Mr R was treated unfairly. HSBC did make errors and has paid Mr R compensation. I think the total compensation paid here of £77.50 was fair and reasonable. So I won't require HSBC to take any further action.

#### **My final decision**

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 18 October 2023.

Ray Lawley  
**Ombudsman**