

The complaint

S, a limited company complains that HSBC UK Bank Plc failed to open a foreign currency account on its behalf.

S is represented in its complaint by a director, Mr K.

What happened

In around mid-July 2021, S enquired with HSBC about opening a foreign currency account. In early September 2021, Mr K complained to HSBC on behalf of S. He said he'd been calling HSBC over the past two months but that he was either put on hold or couldn't find any help. S eventually opened the foreign currency account with an alternative lender.

Before this service became involved, HSBC offered S £30 for call costs. The investigator considered S's complaint and recommended that HSBC pay an additional £70. HSBC accepted this recommendation but S did not.

Mr K doesn't understand why HSBC was able to open a business bank account for S in a matter of weeks yet couldn't do the same for the foreign currency account. Mr K is concerned that HSBC either never sent S documentation to confirm that the foreign currency account had been opened or didn't give reasons why it couldn't be opened. Mr K says HSBC kept asking him to call back without giving further information.

Mr K says he spent around 30 hours with no account to show for it. Mr K suggested a compensation figure of around £3,000.

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.

I realise that I've summarised S's complaint in my own words but our rules allow me to do this. I should also say that this service doesn't supervise, regulate, or discipline the businesses we cover. We resolve individual complaints – it would be for the regulator – the Financial Conduct Authority – to make decisions about the way in which businesses work.

I do want to make the point that Mr K as director is a separate legal entity from S. This is S's complaint, and only S is eligible to make it.

Although Mr K had to chase HSBC several times between first enquiring about the foreign currency account and then going through the application process, I consider £100 compensation fairly recognises the inconvenience this caused for S. This is because even though Mr K couldn't always speak to HSBC, it did return some of his calls. I also note that some delays in handling S's application, may have been due to the disruption caused by the Covid-19 pandemic.

I understand that Mr K would've preferred to speak to the relevant team directly but HSBC says this wasn't possible so it made outbound calls instead. It's unfortunate that Mr K

couldn't accept some of the calls, but I can't find that this was the fault of HSBC.

After Mr K uploaded further information in support of S's application for the foreign currency account, HSBC contacted him in mid-October 2021, leaving a message for him to call back. As HSBC didn't hear back, no further action was taken in relation to S's foreign currency account.

Mr K has told his hourly rate but we don't generally award compensation on an hourly or daily rate. Instead, I make my award based on the inconvenience and impact the delays had on S as a limited company.

Although I appreciate it would've been better if HSBC could've opened S's account in a timely fashion, it appears S found an alternative so I can't say that it lost out financially as a result. It's not unexpected to experience a certain level of inconvenience when dealing with businesses and it was never a foregone conclusion that HSBC would agree to open the account for S. So, overall, I consider that £100 is fair and reasonable for the inconvenience S suffered because of the delays.

Putting things right

HSBC UK Bank Plc should pay S £100 compensation if it hasn't done so already. For the avoidance of doubt, this figure includes the £30 HSBC had previously offered to pay.

My final decision

My decision is that I uphold this complaint in part. In full and final settlement, HSBC UK Bank Plc should pay S a total of £100 if it hasn't done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask S to accept or reject my decision before 11 May 2022.

Gemma Bowen
Ombudsman