

## **The complaint**

Mrs A complains about the way HSBC UK Bank Plc tried to encourage her to invest with it and the process it followed when it she agreed to discuss her circumstances with it. She says she only agreed to the report it produced, and is now charging her a fee for, because she felt there was no other way to end the fact-finding meeting.

## **What happened**

In November 2022 Mrs A says she was contacted by her local HSBC branch and offered an account upgrade which entitled her to a free financial advice meeting with a wealth manager. This was due to Mrs A's father passing away shortly before and leaving her an inheritance.

The wealth manager from HSBC called on 11 November 2022 and confirmed the upcoming meeting, the purpose of it, the types of information they'd be covering and the fact that Mrs A would not need to make any decisions on the day. Mrs A confirmed the meeting over the phone and it went ahead.

Mrs A said the meeting last two hours and she felt that the number of questions, and the details that were being asked of her were intrusive and unnecessary. She said that during the meeting she made it clear she wasn't considering investing her money, as she had no heirs and had plans for it – such as work on her house and a new car. She said that HSBC didn't listen to her and kept on trying to encourage her to invest. Eventually she felt the only way to end the meeting was to accept for the wealth manager to produce a report with her recommendations – for which she'd have to pay an advice fee of around £8,000 if she accepted, or a report fee of £420 if she did not.

About ten days after the meeting she met with HSBC again to discuss the report and its personal recommendations.

Over the coming weeks Mrs A says she was 'hounded' by HSBC to provide more information and to decide whether she wanted to invest with HSBC or not. She felt the level of contact was too much at what was a very difficult time – she had been unwell around the time of the meeting and a friend of hers was undergoing checks for possible cancer. She felt that all HSBC cared about was whether she wanted to invest with it, so she complained.

HSBC looked into her complaint and didn't think it had done anything wrong. It acknowledged some of the centrally generated emails may have been sent to her at inconvenient times, and paid her £40 compensation for that. Mrs A didn't agree this was enough and wanted the report fee cancelled – she referred her complaint to this service.

One of our investigators looked into her complaint, but didn't think it should be upheld. She felt that Mrs A was told about the terms of HSBC's advice, and it wouldn't be fair and reasonable to ask it to cancel the report fee as it had been clearly disclosed to her.

Mrs A didn't agree and provided detailed comments in response. In summary she said:

- At no point was she asked whether she was happy for a man to be present at the meetings with HSBC, and given her personal circumstances, she felt very uncomfortable.
- Her understanding was that the first meeting would be a 'quick and informal chat about being a premier account holder and a few ideas' for her money. She said she hadn't been prepared for 2 hours of 'hard sell big ideas' for her money to make 'big fees for the bank'. She said she repeatedly told the wealth manager she didn't want to invest lots of money only to leave it when she died, but she was consistently ignored.
- She said that she would never have agreed to spend big fees to set up the investments and she was quite happy investing in her ISA through her local building society. She reiterated her complaint that she was asked very intrusive questions about her spending habits and this was very upsetting. She said she had spoken to other friends who had financial advisers and none of them had experienced what she had.
- She acknowledged that when she met a different financial adviser shortly after her meeting with HSBC this was a male, but she said she was accompanied by her friend so this was different.
- Finally she reiterated how strongly she felt about her complaint and that she felt as if there was no point in her being at the meeting because anything she said was ignored, and the report was produced without any input from her.

As agreement couldn't be reached, the case was 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.

I can see that Mrs A feels very strongly about this case, and I'd like to extend my sympathy for the difficult circumstances she faced at the time – both in terms of her father's passing, her health and her personal situation which was clearly very challenging for her. I acknowledge that she profoundly disagrees with the investigator's conclusions, but I'm afraid I don't have much to add to what the investigator has already told her.

In reaching my decision, I've considered the emails that Mrs A and HSBC exchanged, the phone call she had with the Wealth Manager on 11 November 2022 confirming the meeting, the overall information she was given about that meeting as well as the fact find and report themselves.

I should say firstly that the phone call she had with HSBC I think gave Mrs A a reasonable expectation that the upcoming meeting was not to discuss her account with HSBC, but rather to offer a 'full financial planning service'.

She was told that this would involve 'looking at the money you have with us, retirement planning, inheritance tax issues, making sure we invest your money in the right way'.

I acknowledge that Mrs A mentioned being unwell with sinus issues during that call – and she was immediately asked whether she'd be ok with going ahead with the meeting. This was her opportunity to say that she couldn't make it or to reschedule, but Mrs A confirmed that she was fine to go ahead with it. She was told she'd be sent a link to an HSBC video

that would provide more information.

Following this phone call, Mrs A received an email that explained that this meeting would take 'around an hour, possibly up to 90 minutes', and she was asked to provide details of any investments, pensions or protection policies that she held outside of HSBC. So I'm not persuaded it was reasonable for Mrs A to assume that this would be a 'quick chat' – and I think it was up to her, at the time, to decide whether she wanted to have this conversation with HSBC or not.

Following her meeting with HSBC, it's clear that she asked it to go ahead and prepare a report, fully aware that this would involve either fees when accepting the advice, or a report fee. I've seen no evidence Mrs A was pressured into accepting the report in order to end the meeting – and whilst I don't disbelieve that this is how she felt, I'm not persuaded HSBC could've been more upfront with her about the purpose of the meeting or the implications of asking it to prepare a report based on the fact find it carried out.

Pausing here, I think it's important that I explain to Mrs A that whilst she found HSBC's questions intrusive, its role in establishing Mrs A's circumstances was to understand as much about Mrs A as it could. This usually does involve questions about expenditure, spending habits and other information that might inform what an investment could be for. For example, whether Mrs A might need to supplement her income through her capital investment.

It isn't my role to tell HSBC what questions it should ask in such meetings, but having reviewed Mrs A's testimony, I'm not persuaded the information she was asked to provide was unnecessarily intrusive or inappropriate.

Mrs A has also complained about the presence of a man in this meeting, which she wasn't expecting. But whilst I can understand why she may not have thought to raise this in her phone call of 11 November confirming the meeting, I'm not persuaded I can criticise HSBC for not pre-empting this as an issue, without any indication from Mrs A that she'd prefer only members of staff of a certain sex present.

Following this meeting, Mrs A receive a late email asking for more details about her inheritance, her family, what insurance she paid and an indication of the type of investment HSBC was already thinking about. Whilst I agree receiving an email asking so much information after 9pm seems odd, I can also see that HSBC has apologised and acknowledged this and paid her compensation – so I'm not persuaded there's anything further for it to do about this.

In response to this email, Mrs A explained that she was now back in bed with sinus issues, and there was a lot of paperwork in boxes which she didn't feel up to reviewing at that moment in time. She said she had plans of her own with the money, work on the house primarily, and hoped she'd be better soon and able to review the paperwork.

Mrs A then had a further meeting with HSBC, during which its recommendations were discussed.

As Mrs A was due to meet another adviser at around the same time, they agreed to wait for that meeting to happen before Mrs A confirmed or otherwise whether she wanted to enact the recommendations.

Mrs A has complained about the level of chasing, but I'm not persuaded it would be fair for me to be critical of HSBC's actions. Ultimately, it had produced a report with recommendations, and it's clear that one way or the other, it needed to know whether Mrs A

wanted to proceed. From the emails, I can see she was emailed on 1 December and 4 December 2022, and in between there was some phone calls. This was two weeks after her original meeting, and over a week after the report had been produced and discussed with her. Taking that into account, as well as the fact that Mrs A did not confirm in response whether she was happy to go ahead or not, I'm not persuaded HSBC has done anything wrong.

Finally, I've considered Mrs A's comments about the report itself, and whether her input had been considered. It's clear to me that HSBC's view was that an investment for her would be suitable, but it took into account her planned expenditure for a new car. In addition, of the money she had available to invest, it had also recommended she keep almost £80,000 in cash. There's no indication from Mrs A in any of the evidence I've seen that she had a figure in mind for the work she wanted doing to her house, but if it was going to be in excess of that amount I think it would have been incumbent on her to raise it. So whilst I can't specifically see a mention of these works in the report, and I agree HSBC was likely aware of her intention to use some of her inheritance for that purpose, the amount of cash it recommended she keep uninvested would likely have allowed her to spend that money in the way she wanted anyway.

So taking all this into account, I've carefully considered whether it would be fair and reasonable to ask HSBC to cancel the report fee, and for the reasons I've given, I'm not persuaded it would be. I think Mrs A had a number of opportunities to decline HSBC's offer to produce the report, including immediately after the meeting. She was aware of the fee she'd need to pay if she didn't go ahead. And once she agreed to the report, and met with HSBC to discuss it, I'm not persuaded HSBC did anything wrong in chasing up her acceptance or declination of the report – I'm not persuaded its attempts were inappropriate or too frequent.

### **My final decision**

My final decision is that I don't uphold Mrs A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 6 March 2024.

Alessandro Pulzone  
**Ombudsman**