

The complaint

Miss D complains HSBC UK Bank Plc (“HSBC”) made a mistake when opening her account and this has resulted in a loss of interest on her accounts. She’s bringing this complaint with the assistance of her mother as her representative.

What happened

In November 2022 Miss D’s mother opened an online account for her with HSBC. When she received letters containing an account number her mother made a lump sum payment into the account. Some months later in June 2023 Miss D’s mother approached HSBC to open a current account for Miss D alongside - what she thought was - this savings account. She was told both a current and savings account had been opened on her application in November and the lump sum paid in then was in the current account. She’s unhappy as she hasn’t received interest on the lump sum at the rate she would have done had this been paid into a the savings account as she’d intended. Miss D’s mother said she only received one account number - into which she paid the lump sum - and emails referring to just “mysavings” accounts.

Miss D’s mother complained on her behalf. HSBC thought no error had been made so didn’t uphold the complaint. It said the “mymoney” package applied for was made up of with both a current account and a savings account and having reviewed the welcome packs it sent out HSBC didn’t agree that this was unclear. HSBC also said that welcome pack detailed the sort code and account number of the two accounts opened for Miss D. But as a gesture of goodwill HSBC offered £25 compensation.

Our investigator didn’t uphold the complaint. He’d seen the welcome letters sent to Miss D outlining the two accounts opened along with the corresponding account details. He thought those letters were clear so didn’t think HSBC had done anything wrong. He was satisfied HSBC had acted fairly and reasonably and wasn’t going to ask them to take any further action.

Miss D asked for an ombudsman to review the matter. She told us she’d only received one account number that she’d paid into and sent us photos of the three letters she received containing the debit card, the PIN and details for online login into. Along with an email sent to her mother referring to solely “my savings” account.

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 understand why Miss D and her representative feel strongly about this. But having reviewed all the evidence I’m not persuaded HSBC have done anything wrong so I’m not going to uphold this complaint. I’ll explain my reasons.

I’ve seen a copy of the letters HSBC sent to Miss D on 11 November 2022 addressed to her mother also enclosing a letter to her. Both letters confirm the opening of two accounts for

Miss D - current and savings - and the respective account numbers, along with a brochure, terms and conditions and price list. I appreciate Miss D says she didn't receive that. But the copy letter and records from HSBC satisfy me it was sent. I don't know why it is that Miss D didn't get this letter when she received various others enclosing the card, cheque book, PIN and login. I'm not aware of a problem with her post. But it wouldn't be reasonable for me to hold HSBC responsible for the non-delivery of that letter.

It's clear from the record I've seen that the lump sum, which was paid in on Miss D's behalf by mobile banking, was paid by the originator to the account number for the current account. The originator has described the payment as "savings" so I don't doubt they believed that what these account details related to. But Miss D's representative also told us she understood that, if a child applicant was over a certain age, a further current account would be opened. So, they knew there was going to be more than one account here - with corresponding account numbers for each. She also says that - as she was opening a savers account - the current account didn't matter as she didn't want the money paid in to be touched. Whilst I understand that sentiment, it's accepted - due to Miss D's age - they *knew* another account had been opened. And, knowing this, paid into the only account details they received about a week later without checking which of the accounts that account number related to. So, overall, I can't say HSBC have done anything wrong here.

I think the goodwill offer of £25 compensation is reasonable and I'll leave it to Miss D and her representative to decide whether she wishes to accept this. Given my findings it wouldn't be fair or reasonable for me to ask HSBC to do anything further here.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss D to accept or reject my decision before 19 March 2024.

Annabel O'Sullivan
Ombudsman