

The complaint

Mr S, a sole trader under the name A, complains that HSBC UK Bank Plc provided confusing information and poor service when he asked for information about the signatories on his account.

What happened

Mr S contacted HSBC by phone as he wanted to know whether his wife was a signatory on his account. He was told that this information couldn't be given over the phone and that he'd need to go to branch. When he went to a branch, he was then told that when he called he could have been posted a copy of the relevant mandate during the call.

HSBC confirmed that the account was held as a sole trader account with Mr S's wife listed as a signatory and said that a copy of the mandate had been posted. HSBC paid Mr S £100 for the shortcomings in its service. Mr S raised further concerns in response to this around the service he received in branch and identification requirements. He set out what he thought was a fair amount to resolve the complaint. HSBC maintained that it had acted fairly.

Mr S then had to contact HSBC again to say that he hasn't received the promised copy of the existing mandate. He felt that the information HSBC had given around this was incorrect and restated that his offer – which included the impact on his wife – was fair.

HSBC accepted that some of its advice had been incorrect around the opening of a new account for Mr S's wife to be added as a signatory. It also accepted that feedback needed to be given to the branch in respect of the identification requirements, along with explaining why a blank mandate form had been posted. HSBC paid a further £100, but Mr S didn't accept this and brought his complaint to us.

HSBC pro-actively offered a further £150 upon our service contacting it about the complaint, but Mr S didn't accept this, so our investigator looked into the complaint. They felt that the offer as it stood was now fair for the impact on Mr S. They said that we couldn't take into account the impact on Mr S's wife as she isn't eligible to complain to us about this matter. When they considered the impact on Mr S they said that while it was inconvenient for him – he was able to use the account and the information was provided in the end. So they felt that £350 in total was fair.

Mr S disagreed, saying that he believed the impact on his wife should be included and that a fairer amount of compensation would be somewhere between £500 and £725. So the complaint was passed to an ombudsman to consider.

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.

Both sides accept that HSBC's service has fallen short on a number of occasions for Mr S. It's clear that he has been given incorrect information several times and was told to go to a

branch unnecessarily – alongside having to make a series of phone calls and write a number of letters to deal with this matter.

So it's not in dispute that HSBC has made mistakes – what I have to now decide is what's fair and reasonable in the circumstances to put things right. HSBC has paid £200 already and offered a further £150 – so I have to decide whether that's fair.

In my view it is. It's not as much as Mr S thinks he is due and I've considered all the reasons he's given for why his proposed amounts are more reasonable. But as our investigator has explained, we can't factor in any impact on Mr S's wife here. Mr S's account is in his sole name and so he is ultimately the eligible complainant under our rules here, as he holds the relevant relationship that this complaint arises from. His wife may be a signatory on his account – but that wouldn't make her an eligible complainant under our rules and so we can't look to compensate her for any impact this situation may have had on her.

Then, in considering the impact on Mr S, it's clear that the way HSBC handled this would have been confusing and frustrating for him. There is the clear inconvenience of having to deal with this matter – especially when he contacted HSBC about this, only to then have a wasted and unnecessary trip to branch. It's only fair that HSBC compensates Mr S for the impact of its errors.

Mr S says that he should be compensated in a way that takes into account his lost time in respect of his hourly rate. I've considered that – but I don't think his estimate of his time here would be something that would be fair for HSBC to pay. As a service we don't generally award compensation based on a complainant's hourly rate. Instead, we look at the overall impact of what has happened in the individual circumstances of a complaint and consider what's fair and reasonable.

In any event, I've considered what Mr S has said about the nature of his work and I accept that dealing with this matter will have taken Mr S away from this to some extent. But I haven't clearly seen doing so has meant Mr S lost any business or earnings that means there is a clear financial loss it'd be fair to hold HSBC liable for.

But that's not to put to one side the fact that this has clearly been a confusing and frustrating experience for Mr S and an inconvenient one too. On the other hand, he also maintained access to his account and HSBC did eventually confirm what the correct position was with the signatories on his account – even if some further issues occurred around this. So I accept Mr S will have lost some time dealing with this, but I think the overall compensation HSBC is now offering is fair and proportionate in the circumstances.

So I think £350 in total is a fair and reasonable amount in total to put things right here. That means I'll be telling HSBC that it now needs to pay £150 to bring the total payable to this amount.

My final decision

HSBC UK Bank Plc needs to pay Mr S, trading as A, £150, bringing the total paid for compensation here to £350.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 3 July 2024.

James Staples
Ombudsman