

The complaint

G, a limited company, complains that HSBC UK Bank Plc disclosed confidential information to a member of staff, causing G significant inconvenience and loss.

G has been represented in this complaint by its director, Mr G.

What happened

A key member of G's staff, who I'll call Mr K, visited a branch of HSBC to deposit some money into G's account. He asked for a receipt for the deposit. But instead of a receipt, he was given a print-out of G's bank statement. This showed that some of G's other employees had received bonuses. Mr K hadn't. He resigned a couple of days later.

Mr G says the impact of Mr K's resignation on G was significant. Mr G and other staff had to work additional hours to cover Mr K's duties. Time had to be spent interviewing for a replacement for Mr K, and will need to be spent training his replacement.

HSBC accepts that it made a mistake when it gave Mr K the statement, as he wasn't a signatory to G's account, and so wasn't entitled to see it. It apologised for the distress and inconvenience caused by its mistake, and credited G's account with £450. Mr G wasn't satisfied with this and brought his complaint to this service.

One of our investigators considered G's complaint but thought that HSBC had already done enough to resolve it. In summary, while he thought it was foreseeable that the release of the information to Mr K would cause some friction, he didn't think that Mr K's decision to resign had been a direct or foreseeable result of HSBC's error in releasing the information. And he thought the £450 that HSBC had paid was fair to recognise the overall impact of HSBC's error.

Mr G disagreed with the investigator's view, so the complaint's been passed to me.

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.

Having done so, I've reached the same conclusion as the investigator, and for similar reasons.

When considering what level of compensation is appropriate, I can only fairly hold HSBC responsible for reasonably foreseeable inconvenience that G experienced as a result of its error.

I don't doubt what Mr G says about the extent of the inconvenience caused to G by Mr K's resignation. But I don't think that it was reasonably foreseeable that Mr K would choose to resign purely as a result of seeing the information on the statement. So I don't find that I can fairly hold HSBC responsible for the inconvenience that resulted from the resignation.

I do, however, accept that it was reasonably foreseeable that the disclosure of the statement to a member of staff who wasn't authorised to see it might cause some significant embarrassment, and that some company time might have to be spent resolving the situation.

In deciding how much compensation is appropriate in situations like this, we don't generally use an hourly rate. Rather we take into account the overall extent of the inconvenience that's been caused and make an appropriate award to reflect that.

I know that Mr G will be disappointed with my decision, but having thought carefully about everything that's been said, I consider the £450 that HSBC has already paid G to be fair to reflect the reasonably foreseeable inconvenience G experienced as a result of HSBC's error. So I don't find that I can fairly require HSBC to do more than it's already done to resolve the complaint.

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 G to accept or reject my decision before 22 August 2024.

Juliet Collins
Ombudsman