

The complaint

K, a limited company complains that HSBC UK Bank Plc didn't make it aware that the interest rate on one of its accounts had improved.

K is represented in this complaint by a director of K, Mr C.

What happened

K holds three accounts with HSBC - a business bank account, a Business Money Market account, and a Business Money Manager account.

Mr C explained to our service that he would transfer funds from K's current account to either the Money Market or Money Manager account depending on which one offered the best rate of interest at the time.

Mr C says that despite the Money Manager account having been dormant since early 2018, HSBC was still obliged to send annual bank statements. Mr C says HSBC has not sent paper statements for the Money Manager account since 2014. This meant he was unaware of the interest rate on the Money Manager account until April 2024. Mr C says that K lost out on over £10,000 by leaving funds in the Money Market account rather than the Money Manager account which offered a higher rate of interest.

Mr C says that HSBC's online portal does not readily show the applicable interest rates whereas the business banking app does. Mr C says he only became aware of the business banking app in April 2024 shortly before he complained but says this is a side issue.

HSBC explained to Mr C that it does not proactively flag positive changes to account interest rates. HSBC said that he could have accessed interest rate information by visiting its' website. HSBC supplied evidence that it had sent paper statements for the Money Manager account since 2019.

Our investigator did not uphold K's complaint. She said the evidence showed that HSBC sent K annual statements for the Money Manager account which were also available to view online. Our investigator told Mr C that the Financial Ombudsman is not HSBC's regulator – that is the role of the Financial Conduct Authority. So, we could not tell HSBC how to present information through online banking or the mobile app.

Our investigator told Mr C that industry guidance only requires HSBC to make customers aware of changes to interest rates by a durable medium where the change will be a disadvantage. So, our investigator didn't think HSBC had done anything wrong.

Mr C disagreed with the investigation outcome. He supplied a call recording from July 2024 in which HSBC told him that it did not and could not have sent annual paper statements between March 2019 and March 2024.

Mr C also referred to HSBC's final response letter and said it placed the emphasis on the rates information being readily available through its' website. The final response goes on to

say that he can view rates applied for certain accounts through statements and digital facilities. Mr C said that if HSBC had sent paper statements it would have led with this in its response.

Mr C said that when he spoke to HSBC in July 2024, the individual concerned could not supply copy statements as it was dormant with no transactions.

Our investigator went back to Mr C to say that she had listened to the call and appreciated there had been confusion but that the agent did say that statements for the Money Manager account are available to view online from 2019 onwards. Our investigator said she didn't disbelieve Mr C when he said he'd not received paper statements but the evidence showed that HSBC had sent them. Our investigator said that regardless of what happened, HSBC wasn't responsible for informing Mr C of positive changes to the interest rate.

Mr C remains of the view that IT problems can happen. He says that HSBC had to walk him through the process to view the Money Manager account statements online and then print them off at HSBC's end.

Mr C has supplied details of a Competition and Markets Authority (CMA) ruling which says that four banks, including HSBC, failed to make correct data about their products and services available to customers.

Mr C asked us to consider an email that he received from HSBC which gave him a link to the relevant web page with information about the Money Market account together with a suggestion that he call the Money Market team for up to date rates. Mr C's point is that up to date information about interest rates is only available by phoning the Money Market team and not online or through HSBC's website.

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 have summarised this complaint in less detail than the parties and that I have done so using my own words. The rules that govern our service allow me to take this approach. But it doesn't mean I have not considered everything the parties have supplied to us.

I have listened to the recording of Mr C's call with HSBC in mid-July 2024. I appreciate that the agent told Mr C that statements for the Money Manager account had not been printed and dispatched because there had been a zero balance with no transactions. However, she also said that the statements were generated yearly and that she couldn't go back historically to see if they were sent. So, I don't think it is as cut and dried to say that zero balance statements were not generated and sent as HSBC says. I also think that based on HSBC's records, it's not unreasonable for it to say that the statements were sent by post as this is what its records indicate. So, I am not persuaded that HSBC is lying or trying to mislead Mr C in some way.

Regardless of whether HSBC sent the statements by post or not, it doesn't change my decision not to uphold this complaint. It was Mr C's responsibility on behalf of K to check the applicable interest rates for the accounts that it held. HSBC's website contains up to date rate information for the Business Money Manager account using the link:

www.business.hsbc.uk/en-gb/interest-rates. So, it should have been possible for Mr C to check the interest rate for the Money Manager account at any time over the past five years.

I appreciate that Mr C has forwarded an email he received from HSBC on 8 August 2024 which says that he can call the Money Market team for up to date rates, but the interest rates for the Money Manager account are readily available online as our investigator pointed out. It is the Money Manager account that Mr C has complained about. I can't see that he has concerns about not being able to find out what interest rate applied to K's Money Market account, so the email he forwarded does not change my decision.

I don't wish to appear dismissive of the point that Mr C makes about the CMA ruling but the focus there is on a failing to update annual rates for business loans and overdrafts on its website. As our investigator told Mr C – there is no positive obligation on HSBC to inform business customers about a positive change in interest rates. It would be for the customer to check the applicable rates.

For the reasons outlined above I don't hold HSBC responsible for the fact that K didn't move money to the Money Manager account sooner than it did. So, I don't require HSBC to reimburse K for any interest that it may have lost out on. I am sorry that this is likely to disappoint Mr C.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask K to accept or reject my decision before 18 October 2024.

Gemma Bowen
Ombudsman