

The complaint

Mr R and Mrs R complain HSBC UK Bank plc (HSBC) failed to reinvest their joint fixed rate savings account.

What happened

Mr R says he received a letter from HSBC advising his joint fixed rate saver was due to mature on 7 March 2024. Mr R says he telephoned HSBC on 1 March 2024 to arrange for this to be rolled over as he was having difficulties with completing the online application. Mr R says during that call the agent had arranged for the rollover to be completed.

Mr R says he then received a statement in early April 2024 for another savings account they held with HSBC, which showed the fixed rate saver had been deposited to that account on maturity rather than being reinvested at the higher rate of 4.3% as he had requested.

Mr R says he then rang to complain about this and during that call he was told not to reinvest the funds until the matter regarding his initial instructions had been investigated. Mr R says this took some weeks to complete and HSBC haven't accepted it made any errors and he and his wife have lost out on a substantial amount of interest and weren't able to place the funds into the tax year they wanted to.

Mr R and Mrs R wants HSBC to honour the original instruction they gave on 1 March 2024 and adjust the interest accordingly.

HSBC says in the phone call on 1 March 2024 the agent simply confirmed the existing fixed rate saver was in joint names and explained "*when you reinvest, it will reinvest into the same type of account*" and didn't confirm the account had been reinvested.

HSBC says when Mr R called on 6 April 2024 this was dealt with as a complaint, although there was an opportunity to reinvest at the same rate if Mr R and Mrs R had wished to.

Mr R and Mrs R weren't happy with HSBC's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint.

The investigator says having listened to the phone call recording of 1 March 2024 she was satisfied the agent believed he was simply helping Mr R complete the online form he had complained about. The investigator says she couldn't say the agent had confirmed the savings account had been reinvested during that call.

The investigator says she also listened to the phone call recording of 6 April 2024 where Mr R complained that his fixed rate saver hadn't been rolled over as agreed in March 2024.

The investigator says she could see that during that call Mr R was told the fixed rate saver was still available and while the agent mentioned it might be best to wait until the investigation was completed, Mr R was told it was up to him if he wanted to reinvest the monies. The investigator felt Mr R had the choice and opportunity to reinvest the funds to secure the interest rate he wanted, as there was no guarantee the complaint would be

upheld.

The investigator felt the £100 offered to Mr R and Mrs R was fair in the circumstances.

Mr R and Mrs R didn't agree with the investigator's view and asked for the matter to be referred to an ombudsman for a final decision.

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 won't be upholding this complaint and I will explain how I have come to my decision.

I can understand it would have been upsetting for Mr R and Mrs R to learn their joint fixed rate saver hadn't been reinvested as Mr R believed he had instructed over the telephone.

When looking at this complaint I will consider if HSBC were at fault for why Mr R's and Mrs R's joint fixed rate saver wasn't reinvested, following a phone call in early March 2024.

Mr R's and Mrs R's complaint centres around two main points, firstly when Mr R spoke to an agent on 1 March 2024 he had given instructions to roll over the joint fixed rate saver account at the rate of 4.3% and this hadn't been done, even though he'd been told it was. Secondly, Mr R says when he complained about this during a phone call on 6 April 2024, he was told not to reinvest the money and wait for the complaint to be investigated.

I understand the points Mr R makes here but I'm not fully persuaded by his argument here. I say this as I have listened to both telephone call recordings on 1 March 2024 and 6 April 2024.

In the first phone call in March 2024, it's fair to say Mr R discussed at some length the issues he was facing trying to complete the online form to enable him to roll over his fixed rate saver. During that call the agent explains about the account number and sort code and says he would raise feedback about the fact Mr R had found this difficult to navigate.

While Mr R and Mrs R may not agree, I can't say at any point during that call either the agent or Mr R confirm the fixed rate saver had been reinvested. During the call it's reasonable to say the agent was trying to help Mr R complete the online application and that seemed to be the agent's focus, after all that is what Mr R initially calls about.

In fact, at one point the agent says, "*when you reinvest, it will reinvest into the same type of account*". So, I'm satisfied here the agent took the view Mr R was now going to reinvest the funds and complete the online application himself.

So, while Mr R says he thought the instructions had been clearly given to renew the joint fixed rate saver, I would have thought given the substantial sum involved here, he would have expected to have received some form of written confirmation of this. But of course, this didn't happen, although the maturity letter sent in February 2024 explains on reinvestment Mr R and Mrs R would expect to receive an acknowledgment within two working days. So, I'm satisfied this could have been raised by Mr R and Mrs R sooner than it was.

I have also listened to the second call on 6 April 2024 and during that call Mr R explains his version of events and in particular says the agent he spoke to in March 2024 hadn't carried out his instructions to reinvest the joint fixed saver account. What seems to have happened

here is the agent takes Mr R's explanation on face value and deals with the complaint as though HSBC had made an error, but as I have said earlier that wasn't the case here. I'm satisfied this seems to be why the agent suggested Mr R might want to wait to reinvest until the investigation had been concluded, but that said she does go on to say she could open a new account that day, but that would be Mr R's choice.

So, the mistake HSBC made if any, was to treat Mr R's initial complaint only on his version of events, when in hindsight it shouldn't have. That said HSBC have offered Mr R and Mrs R £100 for any inconvenience caused regarding this matter and as I'm satisfied it hasn't made any error regarding the reinvestment of the saver account, that is fair.

While Mr R and Mrs R will be disappointed with my decision, I won't be asking anymore of HSBC than that 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 Mr R and Mrs R to accept or reject my decision before 4 November 2024.

Barry White
Ombudsman