

The complaint

Mrs S complains about how HSBC UK Bank Plc (HSBC) treated her when a Power of Attorney (POA) was registered with them. The complaint has been brought on behalf of Mrs S by Mr S, the attorney.

What happened

The details of this complaint are well known to both parties, so I won't repeat them here. Instead, I'll aim to summarise the key points.

After attempting to register the POA online for HSBC but without success, Mr S made an appointment with an HSBC branch mid-2024. Despite successfully registering the document, he found himself unable to access Mrs S' accounts online. Additionally, cheques that Mr S was issuing as attorney for Mrs S were being rejected by HSBC as potentially fraudulent.

Unhappy with what had happened, Mr S wrote to HSBC on a number of occasions and raised a complaint with them.

HSBC responded to the complaint and apologised for Mr S' issue with online access. They explained that a part of the process for Mr S to gain online access had been omitted by the branch, namely the setting up of telephone banking first – a requirement to then allow online access. Accordingly, HSBC sent Mr S the telephone banking requirements, clarified details around his ability to issue cheques, and offered £125 as compensation.

Mr S was unhappy with this response, escalating the complaint within HSBC to their executive team. In particular, Mr S felt very offended that HSBC had labelled his actions as fraudulent or counterfeit and ideally wanted HSBC to produce a letter which withdrew what he regarded as defamatory comments.

HSBC tried to call Mr S but were unsuccessful so they responded saying they could not provide a letter as Mr S had requested.

Dissatisfied, Mr S brought the complaint to our service. Our investigator didn't think HSBC needed to take any action. Our investigator provided a thorough summary of what had happened and suggested the £125 compensation HSBC had offered was fair.

Mr S disagreed with this outcome and requested an ombudsman review the complaint.

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've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, and while I recognise this will come as a disappointment to Mr S, I have decided not to uphold complaint for broadly the same reasons as the Investigator.

If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. No discourtesy is intended by me in taking this approach. Mr S has sent a significant amount of information both to this service and to HSBC and I'm grateful, but I have focused my decision on the key points.

I am glad to see that HSBC took ownership for the error made in the branch and offered apologies in addition to what I consider to be an appropriate sum of compensation.

I wanted to firstly address Mr S' frustration that when he attempted to register the POA with HSBC using the Office of the Public Guardian's (OPG) online system, HSBC said they could not. As an independent business, HSBC are entitled to choose and design their own processes, about which our service cannot dictate, so I can't address this point. Connected to this, Mr S also mentioned that when he registered the POA with other financial institutions, they all used the OPG's online system apart from HSBC. As this complaint relates to HSBC, I hope Mr S understands that I can't comment on the business decisions or processes of any other firm.

Another aspect I wanted to address was concerning the cheque rejections. Part of HSBC's procedure when verifying cheques is to contact via text message, the account holder to confirm validity. These messages were sent to Mr S' telephone but addressed to Mrs S; and Mr S cites this as a reason he did not respond i.e. they were not addressed to him. However, as our investigator stated, Mr S was the attorney acting on behalf of Mrs S, therefore it's reasonable to expect Mr S to respond to messages addressed to Mrs S, as he may do with physical post for example. I know Mr S regards HSBC's use of text messages as inappropriate for this purpose, but they are within their rights to use this method.

Mr S also questioned how he could have known if the text messages were genuine, suggesting this as another reason not to respond, but here, a quick telephone call to HSBC would have established this.

Linked to the cheque rejections, I do appreciate that Mr S was not happy to respond to HSBC's messages for the reasons above. But there were alternative methods by which Mr S could have made contact with HSBC and confirmed the genuineness of the cheques, such as telephone. I know Mr S has mentioned getting through to HSBC by telephone has been difficult in the past, but I'm not persuaded this is a strong enough reason not to attempt contact, especially knowing the fate of the cheques was at stake.

While Mr S is likely to be unhappy with my decision, taking everything into account, other than their omission within the setup of online banking, I can't find HSBC have made any errors and I believe they have acted fairly and reasonably in their actions.

My final decision

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 5 May 2025.

Chris Blamires
Ombudsman