

The complaint

Mr R has complained that HSBC UK Bank Plc (“HSBC”) continued to send his ex-wife notifications about activity on his account, despite his ex-wife being removed from the account in December 2021.

What happened

Mr R held a joint account with his now ex-wife. However, due to them separating, it was agreed that the joint account would be changed over to being a sole account in Mr R’s name in December 2021.

However, since then, Mr R’s ex-wife was sent overdraft usage notifications by text message, even though she was no longer an account holder.

Mr R was recently informed about this from his ex-wife, so Mr R complained to HSBC. HSBC issued its final response letter and explained that, although Mr R’s ex-wife had been removed as an account holder, it had failed to amend all parts of its system. This resulted in Mr R’s ex-wife receiving notifications about the account. HSBC acknowledged that it had not dealt with the transfer of the account from a joint account to a sole account properly. It treated the incident as a data protection breach and apologised to Mr R for the error occurring. HSBC offered to pay Mr R £500 compensation for the error.

After Mr R referred his complaint to this service, one of our investigators assessed the complaint, and he ultimately concluded that the award that HSBC offered to pay Mr R was reasonable in the circumstances.

As Mr R didn’t agree, the matter was referred for an ombudsman’s 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 considered everything, I think that the £500 compensation offered by HSBC is reasonable compensation in the circumstances. I will explain why.

Firstly, I’d like to point out that it’s not in doubt that HSBC made an error here. It acknowledges that it failed to fully remove all of Mr R’s ex-wife’s details from what used to be a joint account. So, all that is left for me to consider is what is fair to put matters right.

In deciding what a reasonable amount of compensation is, I have taken into consideration what Mr R has told us about his circumstances. I have also taken the type of information which was disclosed to Mr R’s ex-wife in the text messages, into consideration as well, to consider the impact it has had on Mr R.

Mr R has explained that he is going through a divorce with his ex-wife. So I can certainly appreciate, why he was distressed to hear from his ex-wife that she was being sent information about his account. And I appreciate why, given what Mr R has said about his

separation, Mr R doesn't want his ex-wife to know anything about his financial situation. So I accept that HSBC's error has caused considerable distress and worry to Mr R.

As well as considering Mr R's circumstances, I've also taken into account the type of information that was being sent to Mr R's ex-wife in the text messages - to determine if an increased amount of compensation is warranted. I say this because, I recognise that the impact of such an error can vary by a very large degree, given the individual circumstances of the person affected by it and what information was incorrectly disclosed.

In Mr R's case, HSBC has explained that it had sent Mr R's ex-wife text message notifications. It says that these notified her when Mr R's arranged overdraft was being used. Looking at the examples of the messages that were sent, they tended to say that Mr R's account had gone overdrawn, and then explained that either no interest was being charged, or that interest would be charged and reminded the account holder to bring the account back into a credit balance, to avoid any further interest.

So, from what I have seen, it seems that the information being sent to Mr R's ex-wife was, fortunately, limited to information concerning when Mr R entered his overdraft. And although Mr R said he noticed his ex-wife's name appeared on his bank statements at one point, I've not seen that any other information unrelated to his overdraft, or any other sensitive personal information, was disclosed to Mr R's ex-wife in the text messages.

Overall, I recognise that this matter has caused considerable distress and upset for Mr R, especially as he says he's going through the divorce process with the person who the information was disclosed to. But I'm also mindful that the text messages that were sent to his ex-wife appear to have contained only limited information about Mr R's overdraft and no wider personal information about him or his account. I'm also mindful that, when Mr R was made aware of the issue and raised it with HSBC, HSBC duly acknowledged its error and arranged to rectify its records, to avoid it from occurring any further.

Mr R has said that, had his ex-wife not notified him the matter could've gone for much longer or been much worse. But when taking into account what did happen, I think that the £500 that HSBC offered to pay Mr R is reasonable compensation in the circumstances.

Putting things right

So, to put matters right, HSBC should pay Mr R £500 - if it has not done so already - for the considerable distress and inconvenience its error caused him.

My final decision

Because of the reasons given above, I uphold this complaint and require HSBC UK Bank Plc to do what I have outlined above to put matters right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 28 April 2025.

Thomas White
Ombudsman