

The complaint

Mr S and Ms S are unhappy with HSBC Bank Plc. They visited a local branch to open a joint account together. Mr S said the branch incorrectly opened a joint current account rather than a joint savings account. He also said HSBC carried out a hard credit search against their names and neither of them had consented to this. Mr S is unhappy the application couldn't complete as HSBC said it required further address identification for Ms S.

As Mr S has dealt with the issues throughout, I will refer to him throughout the decision for ease.

What happened

Mr S arranged the branch meeting. He said this was to open a joint savings account for him and his daughter. Mr S said the experience they encountered was very disappointing. He noted as he and his daughter had been customers for many years the bank had all their data including their home address.

Mr S said from the moment they arrived the service was below what he would expect. They got the impression the staff member couldn't deal with this procedure in a timely manner. He said they were told the new account wouldn't have premier customer status even though Mr S had been a premier customer for many years.

Mr S said neither he nor his daughter were made aware of or agreed to the hard credit searches that took place. He said he only became aware after getting an email from a third party. He said after around 90 minutes they were advised the account couldn't be opened as another proof of address was required for Ms S. He said there was a lack of understanding and competence from the staff member.

HSBC said Mr S and Ms S had arranged to open a joint current account and not a joint savings account. It said this was why a credit search was completed. HSBC said, *"this was requested by yourself and your daughter in joint agreement at the Branch."* It continued Ms S didn't have address verification, and it offered another appointment for the next day to complete the application. Without the further verification the account opening couldn't be completed. HSBC stated, *"we do not tolerate any inappropriate behaviour in our Branches or towards our Staff please keep a level of respect with our colleagues."* And concluded offering £50 as a gesture of goodwill despite confirming there had been no bank error.

As agreement couldn't be reached Mr S and Ms S brought the complaint to this service.

Our investigator didn't uphold the complaint. She said the system notes showed a joint current account had been set up and wasn't completed. She noted there was no reference to a savings account. Our investigator accepted it was very difficult to say exactly what happened. But she noted the branch manager had provided a warning to Mr S about his behaviour and offered the £50 goodwill gesture. She didn't think there was clear evidence of an error by HSBC, so she didn't ask it to do anymore.

Mr S didn't accept this. He said there was a lack of evidence to support HSBC's claim the request was for a current account. He mentioned being unaware of the credit search again. Mr S said his account of events had been dismissed and he said the branch had been inconsistent and poorly explained the application process. He said it had been clearly communicated in the branch that the request was for a joint savings account, he said there was no need for another current account. Mr S said this service accepted HSBC's version of events despite a lack of signed documentation. He said no evidence showed informed consent was obtained. And the investigators view lacked impartiality.

Mr S asked for the complaint to be passed 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.

Mr S said HSBC was lying. He said it was biased and covering up incompetent and disappointing service from the branch.

Mr S contended rather than admitting poor and negligent service had been provided HSBC sided with its branch staff.

Mr S said it was unacceptable branch staff had provided false statements and false inappropriate accusations. He said there had been a lack of proper communication and understanding of the type of account he had wanted from the start.

Mr S referred to the experience as *"disheartening and frustrating."*

He said the clear intention of the meeting was to open a joint savings account. He said this was explicitly communicated to branch staff. He said the subsequent unnecessary hard search had a detrimental impact on their credit files.

He said the staff member insisted this had to be a standard rather than a premier account *"despite my well known premier status with the bank."*

Mr S said he'd had a well documented relationship with HSBC and had always treated staff with utmost respect. He said the allegations made against him were totally false and unacceptable.

Mr S said HSBC rejected documents for his daughters address verification that were never communicated to him at the branch or in any follow up communication.

He said the £50 offer was insufficient and dismissive.

HSBC reiterated Mr S and Ms S came into open a joint current account and not a savings account. It said this was why the credit search was undertaken. It said again this was requested by the customer and his daughter in joint agreement. It said the hard search showed there was no evidence to support Mr S's point that he wanted a savings account rather than a current account.

It said due to its new eligibility criteria Mr S doesn't qualify for premier status. HSBC said it was from this point on when it told him it couldn't open a premier specific account for him Mr S became aggressive towards the adviser.

HSBC said the evidence about Ms S needed updating as she was now over 18. It noted the details were from another bank that was directly next door and if Mr S and Ms S wanted to get an updated record from next door this would suffice but Mr and Ms S wouldn't do this.

It offered further appointments the next day and checked the opening hours for the bank next door too. HSBC said the adviser went through all the options of address verification on its system.

HSBC said the joint account was processed in line with Mr S's request but was unable to complete without the address verification. And the Branch Manager said Mr S behaved *"in a manner that will not be tolerated in the branch."*

It said it rang Mr S to explain its investigation findings confirming Mr S was advised of the credit check and it did try to assist him further. It said the £50 offer was because Mr S was a long standing customer. But it maintained were no errors made, and its audit confirmed what type of account was applied for on the day and this matched what the branch statements said.

The branch staff member said the word savings was never mentioned by Mr S and he agreed to the hard credit search before it was done. The staff member confirmed she had been performing in the role for two and a half years and not checking such details with the customer would not be compliant with HSBC procedures. She maintained their personal details needed to be updated prior to the credit search and went through this.

The branch staff member said as Ms S had reached 18 she could no longer use the proof of address on the system. As she was now an adult she needed to provide proof in her own name. She said Mr S insisted she accept the proof of address in his name from before when his daughter hadn't reached the age of 18. She also said she suggested they download an up to date statement from the account held at the bank next door through online banking and email it to her, but Mr S wouldn't consider this.

She said she tried to do *"whatever I could in order to satisfy their request."* This included consulting with managers looking for other possible solutions. She said Mr S felt due to him being a long standing premier customer it didn't need to adhere to HSBC procedures.

The branch staff member said on occasion Mr S's behaviour *"was not in line with HSBC's tolerance, my managers in branch could hear the conversations from their room and in the following appointment there was further concern from branch colleagues as a lot of disruption was caused from the customers side with raised voices."*

Both sides have a very set position on what happened. But what is clear is that the purpose of the meeting is disputed as the parties can't even agree on what type of account was required. Mr S said he doesn't need another current account, and the adviser said a savings account was never mentioned.

But what I can't see is clear written evidence in advance of the meeting from either side clearly laying down factually what was wanted. All the evidence I have is after the event. And I've no reason to dispute what either side has said as it's clear that both sides fully believe their version.

Even if the right account was being opened it does still appear that issues unfolded in a way the parties didn't expect. Mr S was expecting the arrangements to be for a premier account, and I can understand if things might have become a little more difficult for both parties once it became apparent that the new account wasn't going to have premier status.

The problems with the account verification details would have caused concern and frustration too.

And although I accept Mr S was upset about the credit search he said he wasn't aware of this from HSBC so I'm not sure it impacted on the meeting on the day.

Clearly somewhere communication between the parties broke down. But I've no reason to doubt that whatever type of account was being opened HSBC were going to have to follow its requirements around what qualified for premier status and the verification needs for customers now over 18. That I do accept. So again, although both parties are upset about the type of account, the premier status and identification verification was still going to be a problem for the parties to sort out.

And on that basis I can understand Mr S's frustration and upset. But that doesn't mean HSBC didn't try to resolve the matter. I believe it did try even if this wasn't to Mr S's satisfaction.

So, in the circumstances I don't think HSBC has to do anything more. I know Mr S does feel the £50 offered was unreasonable. But in this situation I think it was reasonable. The details it has provided around the premier account status and the 18 year old verification seems reasonable requirements that need to be met. Without the verification the account couldn't be opened – whatever type of account it was meant to be. So, I can't say that HSBC has acted unfairly or unreasonably in this case. But I think to make a small offer was fair as it's an acceptance Mr S saw it differently and wasn't happy.

If the £50 wasn't paid into Mr S's account because he didn't accept it, I think HSBC should make arrangements with Mr S to pay it to him immediately.

My final decision

I don't uphold this complaint.

I make no further award against HSBC Bank UK Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S and Mr S to accept or reject my decision before 3 September 2025.

John Quinlan
Ombudsman