

The complaint

Mr S complains HSBC UK Bank Plc (HSBC) didn't make him aware he'd opened two separate accounts. This resulted in him earning no interest on deposits made as these were made into a current account, not a savings account.

He further complains about the service received from HSBC, stating his complaint was handled poorly and he received conflicting information.

As Mr S is a minor, Mr S senior has acted as a representative of the complaint, but for ease of reading, I will refer to Mr S only.

What happened

Mr S applied online for a children's savings account. He believed he was only applying for a MySavings account, however a MyAccount current account was also opened.

Mr S received two welcome packs through the post for both accounts and an email to confirm his new debit card was on the way.

Over a year later, Mr S noticed he had not received interest, so contacted HSBC who confirmed he had two accounts, and his funds were in his MyAccount which didn't earn interest.

Mr S immediately transferred his money to his MySavings account and raised a complaint to HSBC. It explained the difference between the two accounts and explained what he needed to do to earn interest going forwards. HSBC agreed a goodwill gesture of £75 to compensate for lost interest and Mr S accepted this.

A few weeks later after making some further deposits, Mr S called HSBC to discuss the interest received as he thought this was incorrect. Over several phone calls, Mr S was given conflicting information regarding the interest rate his account was earning.

Mr S raised a further complaint following this, HSBC acknowledged he had received shortfalls in customer service, apologised and paid £50 as a goodwill gesture.

Mr S was unhappy with this response, brought his complaint to this service and an investigator looked into things.

The investigator thought HSBC had done enough to make Mr S aware that two accounts had been opened, but agreed HSBC hadn't acted fairly regarding the conflicting information and the service received. They recommended HSBC pay a further £100 to compensate for this.

Mr S remained unhappy with this response and asked for an ombudsman to decide things.

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.

There's been a lot of detailed correspondence around the evidence for which I'm grateful. But this is an informal service so I'm not going to comment on everything included within this complaint. Instead, I'm going to stick to what I think are the central points that apply here. I can confirm all the evidence provided by both sides has been considered.

Having done so, I've reached the same overall conclusions as the investigator did, and for broadly the same reasons.

Mr S has provided a screenshot of the children's account information from the HSBC website, and I think this is where Mr S started the process of opening his account. Whilst I'm unable to confirm the options provided during the application process, this page confirms a MyAccount will be opened on their 11th birthday.

Mr S was over the age of 11 when he opened the account, so I think it's reasonable to expect a MyAccount would be opened.

HSBC have provided evidence demonstrating two welcome packs were sent by post to Mr S, one for MyAccount and the other for MySavings.

An email was sent confirming a debit card was on the way, which the screenshot also confirms is part of a MyAccount. Bank statements also confirm this debit card has been used throughout the time the account has been opened. Based on this, I think a current account was applied for and I don't think HSBC have acted unfairly.

Monthly statements were sent for the MyAccount, which confirmed no interest was being applied to the balance. Mr S only received one set of statements, as there were no transactions on the MySavings account to display. A bank is not required to send a regular statement when the account is unused or inactive.

Mr S says he was not able to access online banking. As Mr S was over the age of 11 when he applied for the account, he would've been able to set up online banking to manage the account. The welcome packs he received also contained links to download the HSBC mobile app.

When Mr S raised his complaint to HSBC, it explained the difference between the two accounts and I think it acted fairly and reasonably in its response.

Mr S has stated he didn't receive paper statements for five months; however, no evidence has been supplied of this being raised to HSBC. Mr S stated in September 2025 he hadn't received his July or August statements, but Mr S supplied all statements covering June 2024 to August 2025 to this service in September 2025.

The second primary element to Mr S's complaint is the shortfalls in service received, and I agree I don't think Mr S received an acceptable level of customer service.

Over several phone calls, Mr S was given different figures for the interest rate on his account

and I can understand how this caused uncertainty and confusion.

I must also assess this in line with our compensation awards and decide what is fair in this circumstance. I think HSBC made a mistake, this required reasonable effort from Mr S to sort out, causing particular stress as it came at a time he was taking exams.

However, the actual interest rate on the account and what it was earning was correct, and no financial loss occurred as a result of this.

Mr S received a payment for £50, and he doesn't believe this should be treated as compensation as HSBC didn't state what this payment was for.

A bank doesn't have to document compensation in the way Mr S says, but in any event HSBC explained its £50 payment in the final response letter sent to Mr S.

It's not the role of this service to review the policies and processes of a business; this is the role of the regulator. My role is to assess whether any mistakes have been made and if HSBC have responded fairly and reasonably, and I think they have.

I understand Mr S may be unhappy with my decision; however, I think the £50 paid in addition to the £100 recommended by the investigator recognises the distress and inconvenience caused. HSBC have apologised for the incorrect information, and taken steps to ensure Mr S is aware of his accounts and interest rates going forwards.

My final decision

My final decision is that I partially uphold this complaint and require HSBC UK Bank Plc to pay £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 15 May 2026.

Hannah Edmondson
Ombudsman