

complaint

Mr and Mrs B have complained that HSBC Bank Plc ("HSBC") mis-sold a HSBC Plus (known as HSBC Advance since 2010) packaged bank account to them in 2006. They paid a monthly fee for the account and were offered several benefits in return.

Mr and Mrs B have used a claims management company (CMC) to bring their complaint to us.

background

One of our adjudicators has looked into Mr and Mrs B's complaint already. The adjudicator didn't think that HSBC mis-sold the HSBC Plus account to Mr and Mrs B and didn't recommend that HSBC should pay them any compensation. The CMC didn't accept this recommendation and asked for an ombudsman to look at the complaint and make a final decision.

my findings

I've considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint. We have explained how we handle complaints about packaged bank accounts on our website. I have used this approach to decide what to do about Mr and Mrs B's complaint.

When the CMC disagreed with our adjudicator and asked for an ombudsman to look into the complaint, it didn't tell us much about why it thought the adjudicator may have been wrong. But in fairness to Mr and Mrs B I have looked again at the entire complaint including the adjudicator's recommendation.

Where evidence is incomplete and matters are in dispute, as they are here, I make my decision based on what I think is *most likely* to have happened given the evidence that is available and the wider circumstances at the time.

I know this is going to come as a disappointment to Mr and Mrs B, but after giving their case a lot of thought, I haven't seen enough to conclude that the HSBC Plus account was mis-sold to them. I know this isn't the outcome that Mr and Mrs B were looking for. But I hope that my explanation will help them understand how I have come to this conclusion.

Free bank accounts are widely available in the United Kingdom and I think Mr and Mrs B probably knew this when they took the packaged bank account. I say this because Mr and Mrs B took the HSBC Plus account by switching from a free account and I understand that they had been customers of HSBC for some time holding fee free accounts. I have not seen anything persuasive that makes me think they thought they had to have the account or that they could no longer hold a fee free account. HSBC has also told us that Mr and Mrs B were given a discounted account fee for the first six months. So I think it is likely that a conversation took place about the account. Overall, I think that HSBC gave Mr and Mrs B a fair choice to take the packaged account or keep the free one.

Whilst I understand that Mr and Mrs B have said that HSBC recommended the HSBC Plus account to them. HSBC has said it didn't. Looking at the information, I haven't seen enough evidence to persuade me that HSBC made a detailed assessment of Mr and Mrs B's circumstances or tailored a recommendation. So I don't think that it recommended the

HSBC Plus account to them. Therefore, HSBC didn't have to check if the account was suitable for them. It was up to Mr and Mrs B to decide if the account was right for them, taking into consideration their circumstances at the time.

HSBC had to give Mr and Mrs B enough clear information about the packaged account for them to decide if they wanted it. Like our adjudicator, I think that Mr and Mrs B were attracted to some of the benefits of the HSBC Plus account and chose it because of these benefits. Looking at the information provided in a copy of this Service's questionnaire sent to HSBC, Mr and Mrs B have said they were interested in the fee free overseas cash withdrawals. This is supported by the several records HSBC has of Mr and Mrs B using their cards at an overseas cash machine. Mr and Mrs B have also shown in our questionnaire that they were interested in the travel insurance as they say they cancelled their existing insurance policy when they took out the HSBC Plus account. I am therefore persuaded that they relied on the cover included with the account. I note that they also attempted to make a claim under the travel insurance, which I will comment on later on.

I note that Mr and Mrs B have referred to holding breakdown cover elsewhere. But breakdown cover wasn't a benefit of the HSBC Plus account at the time Mr and Mrs B took it. So I don't think this would've been a factor in their decision at the time.

In addition to the above, HSBC has told us that Mr and Mrs B benefited from enhanced interest rates on a savings account. Whilst Mr and Mrs B may not have used all the benefits, this doesn't mean HSBC mis-sold the account.

Mr and Mrs B have said HSBC informed them it would be a brilliant account for them as they travelled. They have said they were told they were insured for all possible problems, but when Mr B's wallet was stolen they were told they couldn't claim. It's possible that HSBC didn't tell Mr and Mrs B everything it should have about the HSBC Plus account. But it has said that it sent regular mailings with information about the account benefits. And Mr and Mrs B have shown they were aware of the need to obtain police records, which is a requirement in the majority of travel insurance policies. So even if I was persuaded they had not received the documents, I don't think this affected their claim. I would add that no general insurance policy is able to cover every eventuality due to the huge cost it would involve. So taking everything into account, I haven't seen enough persuasive evidence to make me think that Mr and Mrs B wouldn't still have taken the account even if HSBC had told them everything.

I appreciate Mr and Mrs B's frustration at the loss of Mr B's wallet whilst on holiday. I also understand they are disappointed by the fact they have not had the claim paid. They have said in the questionnaire sent to HSBC that they couldn't claim as police weren't interested, so wouldn't give any help. They didn't have a reference or even details of tourist thefts. In more recent correspondence with this Service, Mr and Mrs B have told us that they were told by HSBC that they couldn't even talk to the travel insurance people, as they knew they wouldn't be able to make a claim. So they have said they wouldn't even give them the information to do so. Mr and Mrs B have said this is what led to them downgrading the account in 2014. HSBC has checked its records from 2013 onwards and says it doesn't have a record of any calls about travel insurance or Mr and Mrs B being given this information. HSBC has also confirmed that the travel numbers provided with the account direct the customer to the insurer. Whilst I appreciate what Mr and Mrs B have said about their conversation with HSBC, I haven't seen enough persuasive evidence that HSBC gave Mr and Mrs B wrong information regarding their loss or prevented any claim from being made.

I want to reassure Mr and Mrs B that I have looked at all the information I have about their complaint. And whilst I appreciate they are unhappy and have downgraded their account, I don't think HSBC mis-sold the HSBC Plus account to them. I don't think it owes them any money.

my final decision

For the reasons I've explained, I don't uphold Mr and Mrs B's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs B to accept or reject my decision before 11 April 2016.

Donna Parsons
ombudsman