

## **complaint**

Mrs M and Mr S complain that HSBC Bank plc has treated them unfairly.

## **background**

Mrs M complained to HSBC about the length of time it was taking to credit her account with monthly overseas cheques. She said she would close her account if she could clear her overdraft. In its response, HSBC said it would clear Mrs M's overdraft to enable the closure of the account. It paid £1,347 into her account to bring the balance back to zero.

However, Mrs M did not close her account and, following a review in July 2015, HSBC gave Mrs M two months' notice that it would be closing all her accounts. This included a joint account she held with Mr S. But Mr S says the first he knew of the account closure was in September 2015 when direct debits were cancelled. HSBC accepted what Mr S said about not receiving a letter in July and gave a further two months' notice about the closure of the joint account.

Mrs M and Mr S arranged the transfer of their joint account to another bank, but the overdraft is still outstanding. HSBC wants the overdraft repaid, but Mrs M and Mr S argue that HSBC should write it off and pay significant compensation for the way in which they've been treated.

Our adjudicator did not recommend the complaint should be upheld. He found that HSBC was entitled to end its banking relationship with Mrs M and was satisfied it had given Mrs M and Mr S sufficient notice. He considered HSBC had acted reasonably by giving Mrs M and Mr S a further two months' notice of the closure of the joint account and hadn't done anything wrong by pursuing them for the outstanding debt.

Mrs M and Mr S responded to say, in summary, that:

- The erratic way in which HSBC credited Mrs M's cheques to her account caused her financial hardship
- HSBC had only credited Mrs M's account with £1,347 when her overdraft facility was £2,200
- It was unreasonable to expect them to repay a £1,000 overdraft with only two months' notice
- They definitely did not receive the July 2015 letter about the joint account and that the copy they had now seen wasn't even properly addressed to Mr S

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I understand Mrs M's frustration about the time it took HSBC to credit the cheques to her account, but I consider HSBC acted fairly when she complained. It immediately credited the amount of the cheque and paid in £1,347 to clear the outstanding overdraft. I acknowledge Mr S says the overdraft limit on the account was £2,200, but I do not consider it reasonable to expect HSBC to pay in more than the amount required for a zero balance. Indeed, as Mrs M had stated the only thing preventing her from closing the account was the debit balance, I don't find HSBC should have done anything more.

With regard to the closure of the joint account, I have seen a copy of the letter that HSBC says it sent, and I acknowledge that Mr S's name is not included within the address. I do not doubt Mr S when he says he didn't receive it. Therefore what I need to consider is whether HSBC acted fairly when, in September 2015, Mr S told it he knew nothing of the planned closure. In its original letter in July 2015, and in line with the terms and conditions of Mrs M and Mr S's account, HSBC gave them two months' notice of its intent to close the account. So, when Mr S said he didn't receive the July 2015 letter, I find it reasonable that HSBC re-started the two-month notice period from that point.

I acknowledge what Mrs M and Mr S say about only having two months in which to repay a £1,000 overdraft, especially as Mrs M is such a long-standing customer. However, I have seen all the correspondence about the closure of the account and I find that Mrs M and Mr S were encouraged to "*discuss alternative payment arrangements*" if, indeed, they did not transfer the overdraft to their new bank account. As a repayment plan has not been agreed, I find HSBC is entitled to pursue Mrs M and Mr S for repayment of the debt and, although Mrs M says she is being "*harassed*", I cannot conclude that is the case.

In summary, I don't dispute that Mrs M and Mr S have been dissatisfied with the service HSBC has provided since 2014, but I need to consider the complaint as a whole. I find the ex-gratia payment of £1,347, along with the additional two months' notice HSBC gave for the closure of the joint account, to be fair and reasonable in all the circumstances of the complaint. Therefore, I don't require HSBC to do anything more and it is entitled to continue to pursue Mrs M and Mr S for repayment of the outstanding debt.

### **my final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M and Mr S to accept or reject my decision before 8 April 2016.

Amanda Williams  
**ombudsman**