

complaint

Mr T complains that when his employer accidentally paid his salary into his closed account with HSBC, HSBC Bank Plc (trading as HSBC) used the money to repay a debt owed by Mr T to HSBC even though a repayment plan was in place. Mr T asks that HSBC writes off his debt and pays him compensation.

our initial conclusions

The adjudicator did not recommend that the complaint should be upheld. The adjudicator said that HSBC was entitled under the terms and conditions to use the credit in Mr T's account to pay the debt owed to it by Mr T. When told about the repayment arrangement, HSBC had returned the money to Mr T and the adjudicator said that HSBC had acted fairly and reasonably.

Mr T did not agree, saying that HSBC should have immediately returned the money to his employer and that it was unfair that he has to pay the debt owed to HSBC.

my final decision

To decide what is fair and reasonable in this complaint, I have considered everything that Mr T and HSBC have provided.

It is not in dispute that Mr T's salary was accidentally paid into his account with HSBC. I am satisfied that HSBC was entitled under the terms and conditions to use the credit balance in Mr T's account to repay his debt owed to HSBC. I am also satisfied from the evidence that when HSBC was made aware that Mr T's salary was paid into his account in error and there was a repayment plan in place with a debt collection agency, it reversed the process: HSBC paid Mr T's salary to him and re-instated the debt.

I find that HSBC acted fairly and reasonably in returning Mr T's salary and re-instating the debt. I am not persuaded that Mr T has suffered any loss, distress or inconvenience that would make a payment of compensation fair and reasonable.

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr T to accept or reject my decision before 30 July 2013.

Ruth Stevenson

ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.