

complaint

This complaint is brought by a limited company, J, and is pursued on its behalf by its director Mr B. J complains that HSBC Bank Plc has wrongly introduced charges on its business banking facilities.

background

J has maintained business banking facilities with HSBC for many years. HSBC says that in June 2013 it sent J notice of changes which were being introduced to the Business Direct Tariff (which applied to J's account), including the introduction of a £5.50 monthly account maintenance fee. The tariff was also changing its name to the Electronic Banking Tariff.

Mr B says that J has a Business Internet Banking Account, which is stated on the website to be free of charge. He would like HSBC to refund any charges already levied and agree to provide J's account facilities free of charge in the future.

HSBC did not agree, and said that the tariff applying to J's account now included the charge. As matters remained unresolved, Mr B brought J's complaint to this service, where it was investigated by an adjudicator.

The adjudicator was satisfied that HSBC had sent J two months' notice of the introduction of the change of tariff, and that the account terms and conditions provided for the change. She also explained that business internet banking was a free addition to a business banking account, rather than being a separate account type. Overall, she did not consider that J's complaint should succeed.

Mr B did not agree with the adjudicator's conclusions. On behalf of J he said, in summary:

- He is enclosing a letter received from HSBC in 2007 which proves that J had a Business Internet Banking Account, which is meant to be free.
- The copy statements provided to the adjudicator are not ones he has seen before. HSBC should be required to provide copies of actual statements sent in 2007, or earlier, which will prove that J's account is not a Business Direct Account, but a Business Internet Banking Account.
- HSBC cannot prove that J had a Business Direct Account. J did not hear from any Business Direct Account manager since 2007, and did not get the required statements.
- HSBC cannot introduce charges to J's account when its website is advertising Business Internet Banking Accounts as being free.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

By the time J obtained internet banking facilities, it had already maintained an account with HSBC for many years. The letter sent to Mr B by HSBC in 2007 is entitled *Welcome to Business Internet Banking (BIB)*. It provides information including registration and activation

codes and explains how Mr B may use the service. Business Internet Banking is described in the letter as a service, not as an account.

From the totality of the evidence, I consider that Mr B is mistaken when he says that J had a distinct type of account called a Business Internet Banking Account which was – and should still be – provided free of charge. Rather, J had an add-on service to its business account and that add-on service is not charged for.

So I am not persuaded that J has a type of business bank account that is advertised as being entirely free of charge. Mr B has provided evidence of the original account type taken by J, before the internet service was added to it, which is an account type that is also now subject to the monthly charge. So a fee would have been applicable in any event.

I am satisfied that HSBC was entitled to introduce the monthly charge to J's business account, and find on a balance of probabilities that it sent reasonable notice of its intention to do so. The historic transaction printouts provided by HSBC will not look identical to the customer statements sent out to J during those years, and copies of original statements going back that far are not available so I cannot require HSBC to produce them.

my final decision

My final decision is that I do not uphold this complaint.

Jane Hingston
ombudsman