

complaint

Mrs S complains about the service she received from HSBC UK Bank Plc in relation to her items in safekeeping.

background

Mrs S said she'd used HSBC's safekeeping service since 1992. She'd paid an annual charge for the service. In August 2016 Mrs S got a letter from HSBC saying it was closing its safekeeping service. And Mrs S would have to collect her items. The letter said her items would be stored safely until collected.

In February 2018 Mrs S received another letter from HSBC. It said HSBC no longer held any items for her. And she'd been contacted in error. Mrs S got in touch with HSBC to collect her safe custody. But the bank mistakenly said they'd been handed to a third party in March 2018. Mrs S and her daughter spent three months trying to locate the items at the bank. They were eventually found and handed to her daughter in June.

HSBC acknowledged there'd been a series of errors. And Mrs S had been incorrectly told there weren't any items in safekeeping. The bank said its manager had worked very hard to help Mrs S locate the box. And it offered £150 for any trouble and upset caused.

Mrs S wasn't satisfied with HSBC's response. So she contacted our service and our adjudicator looked into the matter. She could appreciate the distress and inconvenience HSBC had caused Mrs S. And she was pleased to see the item had been located and returned to her. After speaking to the bank she felt HSBC's offer of £150 compensation was fair in the circumstances.

Mrs S didn't agree. She didn't feel £150 was sufficient for the distress she'd suffered. She had to travel to three branches. And she'd been very concerned about where her items were. Mrs S said she'd suffered consequential losses as a result of HSBC's actions. So she's asked for an ombudsman's final decision.

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 can understand how upsetting this must've been for Mrs S. She thought HSBC had been keeping some items in safekeeping for her. But the bank said it didn't have them. And then it said it did – but they'd been collected. It took a number of calls and visits before HSBC was able to locate the items and return them to Mrs S. So I've looked very carefully at what's happened and whether HSBC needs to do anything more to put things right.

HSBC has acknowledged its service was poor. Mrs S was able to provide evidence to show a deposit had been made with HSBC. But she had to make a number of calls and visits to HSBC to try and find the items. It was only after Mrs S and her daughter made further efforts that the items were located and returned some three months later.

I don't underestimate the upset this must've caused. HSBC has offered £150 compensation for any distress and inconvenience. But Mrs S says that isn't enough. She's mentioned consequential losses as a result of HSBC's failures. I've not seen any evidence to consider.

But I do appreciate the time and effort involved in persuading HSBC to find the safe custody items.

Mrs S has also provided details of other decisions made by our service in relation to safe custody mistakes. But it's important to realise we make decisions based on the merits and circumstances of each case.

It's clear Mrs S was given misleading and incorrect information about her safe custody storage. And she had to put a lot of effort into helping HSBC locate and return the items. But I also need to take account of the delay in responding to HSBC's initial letter in August 2016.

HSBC had written to users of its safe custody service to say it would be closing. The bank said it would continue to retain items. But it asked customers to make alternative arrangements for their storage within the next three months.

But Mrs S didn't respond until HSBC contacted her again in February 2018. So 18 months had passed since HSBC asked Mrs S to collect her custody items. And this may have contributed to the confusion and delay while the items were located and returned. Mrs S was told that her items may have been transferred to another location or marked as 'account holder unknown'. And this may not have been the case if she'd been able to collect her safe custody items as requested in 2016.

I don't underestimate the distress and inconvenience this has caused Mrs S. And I'm pleased to see the items were located and returned safely to her family.

But based on everything I've seen I think HSBC's offer of £150 compensation is fair and appropriate in the circumstances. And I won't be asking the bank to do anything more.

my final decision

My final decision is that HSBC UK Bank Plc should pay Mrs S £150 compensation for her trouble and upset as it has already agreed to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 23 August 2019.

Andrew Mason
ombudsman