

## **complaint**

Mr O complains HSBC Bank Plc didn't treat him fairly when he asked it to remove additional searches it had recorded on his credit file. To put things right, he wants HSBC to compensate him for the financial loss he says he has suffered as a result and to recognise the trouble and upset caused.

## **background**

I attach my provisional decision of 3 September 2018, which forms part of this final decision. In my provisional decision, I set out why I didn't intend to uphold this complaint. I invited both parties to make any further comment before I reached a final decision.

No new information or arguments were provided by HSBC. However, Mr O responded with a number of comments, which I'll summarise here:

- He felt that I had oversimplified his complaint about the single point of contact moving on. He believes this had been detrimental to him. The single point of contact had clearly stated to him that the complaint would be resolved along the lines of an amount he had been given before.
- The single point of contact was representing HSBC and therefore advocating the bank's position on the amount of compensation.
- He didn't think it was right that the bank didn't need to honour this.
- It was unprofessional of the bank to take away the continuity he'd had with the single point of contact, particularly after he been given assurances by a manager about how this issue would be dealt with.
- There was no handover.
- He considered the telephone calls between him and single point of contact were relevant to the dispute and I should get these.
- He didn't feel his complaint had been resolved so the bank had no basis for paying £500 without discussing this.
- His relationship was purely with HSBC - he wasn't a client of 'A'. So, rather than contact him HSBC should have gone back to 'A' about the fact that the searches were still on his credit file.
- He felt he'd been on a '*merry-go-round*' with HSBC where it was left to him to get information from 'A'.
- Initially, it had been the bank's position that it was taking the matter seriously by looking into things but seven months later its position had shifted and it had made it his responsibility to provide information.
- My decision didn't refer to the financial loss he'd suffered.

## my findings

I've reconsidered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Having done so, while I've considered all of what Mr O has said in response to my provisional decision, I've not seen any persuasive reason to reach a different conclusion from the one I set out previously. In light of his comments, however, I will make the following observations about what I consider to be the crux of the complaint.

First off, I shall address the matter of the additional searches, which was the initial subject matter of this complaint. Mr O banking relationship was indeed with HSBC. But I don't think it has treated him unfairly. Mr O believed the bank hadn't done anything to remove the additional searches. However, the available evidence shows the bank took appropriate steps to have the searches removed. It responded promptly in sending the request to 'A' and followed things up when Mr O contacted it again in February and March 2018. Mr O says HSBC should have done more to challenge 'A' given that the searches were still on his credit file. So I have again looked at the emails that were sent internally within HSBC and to 'A'. My conclusion is that it did enough.

I say this because, HSBC contacted 'A' again and it responded in March 2018 to say that it had had searched its systems. It then suggested HSBC get the credit file reference from Mr O so that it could look into this further. Mr O being the other party in that banking relationship could have provided the information or taken things up with directly with 'A', which I note he later did. But all things considered, I'm satisfied HSBC took things as far as it could at that time - the issues with amending the data were then in the hands of another entity. It seems Mr O wasn't willing to accept the bank's explanation about this. But that doesn't change what the facts of the situation were at the time.

Mr O said I had over simplified his complaint about his relationship with the single point of contact. He says he was given a clear commitment about how the complaint would be resolved, including the level of compensation.

However, I'm afraid I don't share this view. I return to the point I made before, which is the complaint wasn't resolved when Mr O was in dialogue with that member of staff. In fact, it was still under investigation. I think it's fair to say that it was implied within this that any considerations about *actual* compensation would be evaluated (as one might expect) once the bank had concluded its investigation. Indeed, Mr O's own has said the member of staff said that this matter would be resolved in a similar fashion to a previous problem if it was found to be an error on their part. I'd like to make a few observations about this.

First, until the bank had conducted its enquiries and issued its final response, its investigation wasn't concluded so any conversations about compensation were in my opinion hypothetical. Second, as the investigation evolved so did the bank's position because of what it found out - this isn't unusual. And third and perhaps more crucial, beyond the original registration (which isn't in dispute) there wasn't any fault on the bank's part for the reasons I've explained. So ultimately, I don't think there is any basis for requiring HSBC to pay more compensation here. It's for these reasons that I haven't considered call recordings relevant to my review or asked for them.

I appreciate Mr O would've liked to have had the same single point of contact but I'm afraid it is a fact of life that people within organisations move on for a variety of reasons. And I

haven't seen anything here which leads me to conclude that this was done to cause Mr O difficulties.

Finally, Mr O said that I hadn't referred to the financial loss he said he'd suffered. But in case this wasn't clear, I set this out on page two of my provisional decision. However, I didn't award anything for it for the reasons that I gave. My view on this hasn't changed.

Once the bank had concluded its investigation, it was only prepared to pay £500. For the reasons set out above, I remain of the view that this amount was fair and reasonable. Considering everything, including Mr O's other complaint points, I'm still of the view that the steps the bank took to help sort this issue out were proportionate and reasonable. It follows that I won't be asking HSBC to do any more. I realise Mr O will be disappointed by my decision but this is now my final decision on the matter.

### **my final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 11 November 2018.

Sarita Taylor  
**ombudsman**

*copy of provisional decision*

**complaint**

Mr O complains HSBC Bank Plc didn't treat him fairly when he asked it to remove additional searches it had recorded on his credit file. To put things right, he wants HSBC to compensate him for the financial loss he says he has suffered as a result and to recognise the trouble and upset caused.

**background**

In November 2017, Mr O made a mortgage application to HSBC. However, in error the bank recorded additional searches on his credit file. Mr O noticed the mistake when he reviewed his credit file with a credit reference agency who I shall call 'A' and saw that his credit score had dropped. He felt the additional searches were responsible for this and complained to the bank.

HSBC agreed it shouldn't have recorded the additional searches and wrote to Mr O in December 2017 to tell him that it had contacted 'A' to get the searches removed. It went on to explain that Mr O should allow up to eight weeks for the changes to take effect. However, when Mr O checked his report in early February 2018 the searches were still there.

HSBC told Mr O that it had sent a request for the searches to be removed. However, Mr O pointed out that this didn't match the information on his credit file. Over the following weeks and months Mr O continued to contact HSBC about this issue but he didn't think it was doing anything to help.

In March 2018, HSBC issued its final response in respect of this complaint. In summary, it said:

- It had sent a request to have the additional searches removed in December 2017.
- It had put the same request through again.
- Since then it had received confirmation from 'A' to say that the additional searches had been removed. But given what Mr O was saying it asked him for his credit file reference number so that it could look into the matter further – review his credit file and see what further action needed to be taken.
- From its point of view it didn't think the additional searches should be showing.
- It had paid £500 into Mr O's joint account to recognise any trouble and upset that may have been caused to him and his wife (who it had also recorded the additional searches against).

Mr O didn't accept this and in May of this year, he referred his complaint to us. He told us this:

- Six months on and the additional searches were still on his credit file. This wasn't good enough.
- He had needed money to invest in the property he was buying and had intended to use credit cards to help finance this. But due to his low credit score, lenders were not prepared to give him the same preferential terms he felt he would have got before. Instead, he had to use his savings, which had been earmarked to invest in an ISA. He felt HSBC bore responsibility for this loss.
- When he had first raised this complaint, HSBC had given him a single point of contact who he felt had taken personal responsibility for resolving the matter. She had told him on more than one occasion that once the complaint was resolved the bank would pay compensation along the lines of what it had given him before. But the single point of contact was unexpectedly removed. He had found this upsetting.

- HSBC had sent a final response and paid £500 into his joint account without any discussion or consultation with him.
- He had spent twelve business days on this matter. A significant amount of this time had been using a 'pay as you go' mobile phone.
- He had also contacted a senior manager at HSBC about the ongoing issue of the searches and the bank's overall handling of the complaint but he failed to respond. This was unacceptable.
- He wanted it noted that HSBC had "*corporate responsibility*" for what had happened and the impact this was having on him.

One of our investigators reviewed the complaint but he didn't think HSBC needed to do anymore. In reaching his conclusion, he relied on an email Mr O had sent him in July 2018. The email was from 'A' and addressed to Mr O and his wife. In summary, the email said:

- it had told Mr O throughout his contact with it up until 18 July 2018 that the searches were visible and impacting on his credit reports due to no communication from HSBC. However, due to a system error it ('A') had failed to remove the additional searches.
- it was sorry for the wrong information it had given when Mr O had contacted it before.
- it would remove the searches.

Based on this and the surrounding circumstances, the investigator concluded that HSBC had done enough when it asked 'A' to remove the searches in December 2017 and no further fault lay with it.

Mr O didn't accept this conclusion. He felt HSBC should have contacted 'A' when he told it that the searches were still on his credit file. He also reiterated that HSBC had ignored him for months, which had continued to affect him emotionally and financially.

The complaint was passed to me for a decision.

### **my provisional findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. But having done so, I don't intend to uphold this complaint. I realise Mr O will be disappointed by my decision so I would like to explain why.

#### *what I will not be considering*

At the outset, I would like to set out what I will not be considering as part of my review.

- HSBC has accepted it should not have recorded the additional searches, so I will not be commenting on this point further. I don't need to because it isn't a fact that's in dispute.
- I understand the bank also recorded additional searches on Mr O's wife's credit file. But as she told our investigator this isn't a complaint she wishes to bring (namely, this isn't a joint complaint), my decision is only about Mr O's complaint.
- I'm aware Mr O has now made a separate complaint to 'A' and while I will be referring to 'A' in my decision, I won't be making any findings against it because this decision and my involvement in this review is purely limited to the actions of HSBC.

#### *what should have happened*

When Mr O contacted HSBC in November 2017 about the additional searches on his credit file, I would have expected the bank to take steps to get the information removed. This would involve it sending a request to 'A'. To find out what actually happened, I've reviewed copies of the bank's internal emails between the department dealing with the complaint and its credit helpdesk that handle credit information for the bank. It was the helpdesk's responsibility to send the request to 'A'.

*what actually happened*

The email exchange shows that a request to have the additional searches removed was sent to the credit helpdesk on 4 December 2017 and that this was then sent onto 'A' the following day. Considering Mr O raised a complaint about the searches in November 2017, I'm satisfied HSBC dealt with his initial concerns to have the information removed appropriately and promptly. And I can see that it told Mr O what it had done on 5 December 2017.

Mr O could still see the additional searches on his credit file so I can understand why he didn't think HSBC had done anything to resolve the issue. But I'm satisfied the available evidence supports the bank took steps to get the information removed when it said it did. HSBC was then reliant on a different party executing those changes.

In light of what was still on his report, Mr O continued to contact HSBC and it acknowledged his concerns on 9 February 2018 when it said that it would look into the issue further. Further email exchanges between the same two internal departments of the bank show that it was taking these concerns seriously. As the credit helpdesk confirmed the original request to remove the information had been sent to 'A' in December 2017 and that the additional searches were not showing on its (HSBC's) systems anymore. These email exchanges took place during February and March 2018, the initial period in which Mr O was in touch with the bank.

Mr O thinks that HSBC should have done more, specifically it should have contacted 'A' about the searches still showing on his file. I'm satisfied it did. I say this because the bank has provided a copy of the response it says it got from 'A' on 15 March 2018. In the response, an email from 'A' – 'A' said:

*"I have searched every which way I know and there are no searches or address links recorded on the Mainframe today.*

*I think Mr O is looking at an old 'A' report and he needs to refresh it or he has another address that I cannot see. I would recommend he contacts our Customer Service department (he will find the contact details on his report); they will be able to advise him further. There is no more you can do to help him.*

*The only other thing we could do is if Mr O can give you his 'A' Reference number and you send it to me then I can look at his report from this side".*

I can see HSBC relayed this information to Mr O shortly afterwards in its final response letter of 23 March 2018. The letter not only confirmed that the request to have the information removed was made in December but it also confirmed that the bank had been in touch with 'A' again and it had said the searches had been removed. In the same letter, HSBC asked Mr O to provide his credit reference number if he wanted the bank to do anymore. I'm satisfied this response adequately addressed the issue of the additional searches albeit Mr O was dissatisfied. In addition to this, I can't see Mr O then went back to the bank with the *credit reference number* it had asked for before he contacted us, so I wouldn't have expected HSBC to do anymore.

Considering all of this, I don't agree HSBC is responsible for the financial loss Mr O is claiming as the available evidence shows the bank took appropriate steps. Therefore, I don't intend to make any award in this respect.

*response from the senior manager*

Mr O has provided copies of the emails he sent to a senior manager at HSBC in April and May 2018. He says he should have responded but instead there was a wall of silence. I've thought about this, however, I note that before Mr O sent his emails, he had already had a final response from the bank outlining its position on the searches. He had also received a further communication from HSBC dated 6 April 2018, which asked him not to send emails to individual accounts. This piece of correspondence also made it clear that the bank felt it had now come to a point where it felt it had "*exhausted all avenues*" and reiterated he could refer his complaint to us. So when Mr O chose not to accept this and sent further emails to the individual concerned, I think that was a matter for him. But I don't think HSBC needed to do more having made its position very clear.

#### *single point of contact*

Mr O has expressed concerns that his single point of contact for the complaint was taken away without consultation. I appreciate he was upset by this. However, it's up to a financial business to decide how it resources its complaint handling. And it's not for me or the Financial Ombudsman Service to interfere with that.

Mr O has said this person told him that once the complaint was resolved he would get compensation similar to an amount he had received before. However, I'd like to make the following observations about this. First, Mr O didn't consider the matter resolved and second, the *actual* amount HSBC was willing to pay (once they had properly reviewed everything) was laid down in its final response. For these reasons, I don't consider any call recordings on this point relevant to my review and so I haven't asked for them.

#### *conclusion*

I note HSBC has already paid £500. Given my provisional findings, I think this was fair and reasonable. All in all, I think the steps the bank took to help were reasonable and proportionate. It follows that I don't intend to ask it to do anymore.

#### **my provisional decision**

My provisional decision is that, subject to any further submissions I may receive in writing on or before 2 October 2018, I do not intend to uphold this complaint.

Sarita Taylor  
**ombudsman**