

## **complaint**

Mrs H has complained that HSBC Bank Plc ("HSBC") mis-sold her a Plus (later known as the Advance) packaged bank account in 2006. She paid a monthly fee for the account which provided some benefits in return.

Mrs H has used a claims management company (CMC) to bring this complaint to us.

## **background**

One of our adjudicators has looked into Mrs H's complaint already and he didn't think that HSBC mis-sold the packaged account to her. The CMC didn't accept this and asked for an ombudsman to look at the complaint and make a 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.

We've explained how we handle complaints about packaged bank accounts on our website. And I've used this approach to help me decide Mrs H's complaint. I agree with our adjudicator that HSBC didn't mis-sell the packaged account to Mrs H. And so it doesn't owe her any compensation. I'd like to explain why.

When the CMC disagreed with our adjudicator and asked for an ombudsman to look into the complaint, it gave its main reasons as Mrs H was offered the account at a reduced rate. But she wasn't attracted to the benefits and only agreed to the upgrade because the Plus account was the only one presented.

I've carefully thought about this and everything else I've seen on this complaint. But I don't think that our adjudicator was wrong because:

- It looks like Mrs H upgraded to the Plus account from a fee free one that she'd initially opened with Midland Bank (a former trading name of HSBC) and which she'd held for over twenty years. I've seen that Mrs H has said that she upgraded shortly after Midland Bank was rebranded as HSBC and she felt that she had to take this account as it was the only one offered. But the account was upgraded a number of years after the rebranding. And even during and after the rebranding Midland Bank customers didn't need to open new accounts with HSBC. So, on the face of things, I haven't seen anything persuasive to suggest that Mrs H was told she couldn't keep the fee free account she had before. And I think it's more likely that Mrs H was aware she didn't have to pay for an account with HSBC if she didn't want to. Having thought about everything, I think that HSBC gave Mrs H a fair choice. And I think it's likely that she chose to upgrade to the Plus account as she perhaps thought that something it included might be beneficial to her.

- From what I've seen, I don't think that HSBC recommended the insurance benefits included on the account to Mrs H. So it didn't have to check whether the insurance was suitable for Mrs H. It was up to Mrs H to decide whether it was right for her. But HSBC had to give her clear enough information to do this. I think it's likely that Mrs H was told about most, if not all, of the benefits included in order to make the account appear as attractive as possible. After all HSBC was trying to persuade her to upgrade when it's likely that she knew she didn't have to. The best way to have done this would've been by telling her about what she'd get for the monthly fee.
- I think that Mrs H used some of the benefits. It also looks like Mrs H used the fee free worldwide cash withdrawal benefit included on the account when she went she left the United Kingdom. I accept that Mrs H may not have ended up travelling as much as she might have expected when she initially upgraded. But that doesn't mean that she didn't find the prospect of having the travel insurance useful. Especially as it looks as though she decided to keep the account when she was offered a discounted monthly fee after she contacted HSBC in 2010. I've seen that Mrs H has said that the discounted rate was applied to her account without her permission and she has no recollection of attempting to downgrade in 2010. But I've not seen any indication that Mrs H was overcharged prior to this. And discounts such as the one applied to Mrs H's account are typically offered by banks in an attempt to encourage a consumer to retain a packaged account. So I think it's most likely that this discount was applied after Mrs H suggested that she was thinking about downgrading her account and it's simply the case that she no longer recalls this.
- Mrs H may now, with the benefit of hindsight, think that she shouldn't have upgraded. Given what she might've read or heard about packaged accounts and she hasn't had to make an insurance claim, I can understand why this might now lead her to believe that the account was mis-sold. But I think it's likely that Mrs H chose the account knowing what it included. So while Mrs H may now think that the account hasn't proved to be value for money this doesn't mean it was mis-sold.

I've looked at all the information Mrs H has provided about her complaint. And having done so, I don't think that HSBC mis-sold the packaged account to her. So I don't think it owes her any money.

### **my final decision**

For the reasons I've explained, I don't uphold Mrs H's complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mrs H to accept or reject my decision before 5 November 2015.

Jeshen Narayanan  
**ombudsman**