

The complaint

Mr A has complained that HSBC UK Bank Plc ("HSBC") continued to charge him for an Advance Account and Insurance Aspects after he'd paid of his mortgage in August 2017.

Mr A believes that HSBC should've contacted him after he'd repaid his mortgage to see if he still needed the account and Insurance Aspects package.

Mr A has also said that HSBC had misrepresented the benefits and had mis-sold the account(s).

What happened

I issued a decision on 28 September 2023 explaining why our service is unable to consider Mr A's complaint about the sale of the Advance account and the Insurance Aspect package that was later added to Mr A's account.

I did however say that our service is able to consider Mr A's complaint – that he says HSBC should've checked whether he still wanted the Insurance Aspects package once he repaid his mortgage in 2017.

One of our Investigator's has already assessed the part of Mr A's complaint that our service can consider, and she didn't think that HSBC had acted unfairly or unreasonably.

Mr A disagreed with the Investigator's assessment, so the matter was referred (again) for an ombudsman's decision.

What I've decided – and why

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 our approach to complaints about packaged accounts on our website, and I've used that to help me decide this complaint. And having considered everything, I don't uphold this complaint.

Mr A says that HSBC should've checked with him whether he wanted to keep his Insurance Aspects package when he repaid his mortgage in 2017. Mr A says that it was obsolete once he'd repaid his mortgage.

The Insurance Aspects package is a separate product to Mr A's mortgage. So, I can't see why HSBC should've specifically checked if Mr A still needed a package of insurance benefits - such as travel insurance, mobile phone insurance and breakdown cover - because he had repaid his mortgage.

Furthermore, as these benefits were unrelated to Mr A's mortgage, I can't see why Mr A paying off his mortgage meant that these benefits were suddenly "obsolete". Mr A was still covered by the travel insurance, mobile phone insurance and breakdown cover, regardless of whether he had a mortgage with HSBC or not.

From what I can see, Mr A was aware he had the Insurance Aspects package. Therefore, if it was the case that he didn't want to keep paying for the Insurance Aspects package, or no longer needed the various benefits it provided, it was up to him to cancel it.

What HSBC was required to do however, was to send out Annual Eligibility Statements (AES) each year to Mr A. The purpose of an AES is to remind Mr A about the insurance products included with the package; what the eligibility criteria and key exclusions are; and invite Mr A to consider whether he still needed them.

HSBC has provided copies of AES sent to Mr A. They were sent every December since at least 2016, and they look to have been sent to the correct address for Mr A. So I think they were likely to have been received by him.

So going on the evidence I have been provided with, I think that HSBC did what it was required to do to remind Mr A about his Insurance Aspects package.

I therefore can't reasonably say that HSBC did something wrong or had acted unfairly, just because it didn't check with Mr A whether he still wanted the Insurance Aspects package once he'd repaid his mortgage.

Finally, I understand that Mr A still has the Insurance Aspects package on his account. I'm not sure why he still has it if he doesn't want it - given that HSBC told Mr A how he could remove it from his account in its final response letter issued in 2015 and again in an email dated 13 January 2023. So, If Mr A wishes to remove the Insurance Aspects package from his account, he will need to contact HSBC to do so.

My final decision

Because of the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 26 October 2023.

Thomas White
Ombudsman