

The complaint

Mr W complains HSBC UK Bank Plc gave him incorrect information about the incentive for switching his current account to them.

What happened

Mr W used HSBC's online chat to ask for information about the switcher offer of £200. Following this, he completed an online application. Mr W says he was assured during the online chat he would be eligible for the £200. Mr W was asked to attend a branch to provide identification twice, but in the end was told he wouldn't be eligible for the £200 incentive payment – because he'd held an HSBC account too recently. Mr W complained to HSBC.

HSBC responded to say they hadn't given any assurances about Mr W's eligibility for the £200 in the online chat he'd had with them. But they accepted he'd been inconvenienced because he'd been into the branch a couple of times during the time the application was being processed – they offered him £20 in recognition of this.

Mr W wasn't happy with this response and referred his complaint to our service. An Investigator considered what had happened. He said, in summary, he also didn't think HSBC had given any assurances about Mr W being eligible for the £200 payment. He was satisfied Mr W had decided to go ahead with the application himself, including agreeing to a credit search being made. The Investigator did say he thought £20 was fair in recognition of the fact Mr W had made two trips to the branch.

Mr W didn't agree. He said he wanted HSBC to pay him £60. Our Investigator asked HSBC if they'd be willing to do that, but they said they weren't.

As Mr W didn't accept our Investigator's findings, the case has been passed to me to decide.

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.

The terms and conditions of HSBC's Current Account Switching Service Switcher Offer said customers would not be eligible for the offer if:

You are an HSBC current account holder on the date of the application or have been on or after 1 January 2019.

Mr W contacted HSBC at about 10:55pm on 21 December 2022 via their online chat service. The Switcher Offer was expiring that night. I've reviewed the entire transcript of this conversation – the agent did not give Mr W any assurances that he would be eligible for the £200 payment. Mr W decided to go ahead with an application.

Mr W later discovered that he wasn't eligible for the £200 payment because he'd previously held an HSBC current account which was closed in September 2021. So, he decided to not go ahead with the switch.

Mr W is unhappy that he had to make visits to the branch to provide identification when the application was being processed. HSBC have explained this was for security reasons because some of the details Mr W had submitted as part of his application didn't match the details they already held for him. So I don't think this was unreasonable, to ask him to do this in the first instance. But HSBC have accepted that Mr W was sent a second message asking him to attend the branch when he didn't need to – so I agree Mr W was inconvenienced by this second visit to the branch. They've offered Mr W £20 in recognition of this and I think this is fair in the circumstances.

Mr W is unhappy HSBC carried out a credit search as part of the application. HSBC has provided a screenshot of the relevant part of their current account application process. Under the heading "Credit Reference Agencies (CRAs) Information" it says "We'll search and share your information with CRAs" and "A record of our search will be held with the CRAs." So I think HSBC made it clear that they would conduct a search and that search would be recorded on Mr W's credit file.

On the same page – in order to continue with the application – applicants are required to tick a box to confirm they've read all the information and agree to the terms and conditions of the account. Mr W must have ticked this box in order for the application to have been processed. So I'm satisfied he agreed to the credit search being carried out by doing so.

Mr W also says HSBC have since removed the search from his credit file. He's provided a screenshot which shows a search was due to be removed, but this doesn't say which search was being removed. Either way, I'm satisfied for the reasons I've already explained HSBC was entitled to record the search, so if they have now removed it, this would be to Mr W's benefit and isn't something I would have required them to do.

My final decision

HSBC UK Bank Plc have already made an offer to pay Mr W £20 in settlement of this complaint. I think that's fair and reasonable in all the circumstances.

My final decision is HSBC UK Bank Plc should pay Mr W £20.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 1 August 2023.

Eleanor Rippengale
Ombudsman