

The complaint

Mr P complains that he wasn't able to make a payment to his credit card with HSBC UK Bank Plc via the app or via telephone banking. He's also unhappy about the customer service he received when he complained.

What happened

Mr P holds a credit card with HSBC. In October 2023 he made an overpayment to the account and used the card to make a purchase. Mr P then realised that with other transactions he'd made, he was likely to exceed his credit limit, so he tried to make a further payment but was unable to.

Mr P says he was advised by an agent (via online chat) that he would have to wait for a payable balance to occur before he could make a payment. Mr P wasn't happy about this and raised a complaint.

A couple of days later a payable balance showed on the account. Mr P attempted to pay it via the app and telephone banking, but his payment was rejected. Mr P successfully paid the balance in full the following day and updated his complaint.

Following this, Mr P was contacted by a complaints agent from HSBC. The agent advised Mr P that he wasn't allowed to use the credit card in the way that he did (which Mr P says he partly accepts). Mr P said that the agent advised him that he had breached the terms and conditions of the account and that if he made further overpayments, the bank might refuse to allow him to spend the money on the account.

Mr P complained about the problems he'd experienced making payments to his account and about the way in which the complaints agent had spoken to him.

HSBC didn't uphold the complaint. In its final response, it said that customers were asked to refrain from allowing a credit balance to accrue on a credit card and in the event that such a balance accrued, it may not allow additional transactions to be completed whilst the account remains in credit. HSBC said that the information provided to Mr P was correct and it regretted if he felt insulted, HSBC said it hadn't made an error.

Mr P remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. He said that HSBC had acted according to its processes when dealing with the payments to Mr P's account. The investigator said that having listened to the conversation with the complaints agent, he didn't feel that the tone was threatening or that Mr P was told that money would be taken from him.

Mr P didn't agree. He said the agent had threatened to take money from him and that it was only when he complained about the threatening tone that further explanation about what might happen in the scenario where his account was in credit was provided.

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.

I understand why Mr P wanted to use his credit card to purchase his MacBook. By using the credit card, Mr P gained consumer protection rights in the event that anything went wrong with the goods. I also understand why Mr P made the overpayment to his account and tried to make a further payment when he realised he might exceed the credit limit.

HSBC has told this service that to avoid any issues with a credit facility, it asks customers to only utilise the credit limit available, and to not pay more than the balance owed. The terms and conditions of the account say that customers must not try to pay more than they owe, and that if they do, the bank won't normally allow a customer to spend any overpayment and may return the credit balance to the customers bank account.

I've looked at what happened here, and I can see that although Mr P was prevented from paying more when he first tried to do this, he was able to make a payment and clear the balance the following day. In the circumstances, I can't see that this caused any detriment. No fees or charges were incurred on the account.

Based on what I've seen, I'm not persuaded that the bank made any errors in dealing with the payments made to Mr P's account.

I've gone on to consider the telephone call with the complaints agent. I appreciate that Mr P feels very strongly about this. I've listened to the call. Whilst I can't argue with Mr P if he says that he felt threatened (as this is a subjective matter), I don't think the words or tone used by the agent can be described as threatening. The agent advised Mr P that if an overpayment was made the bank may not allow him to use the money. Having listened to the call, I think the agent could have been clearer with Mr P about what this meant. I agree with Mr P that it was only made clear to him that this meant that monies would be returned to his current account when a written response was sent to him.

I'm sorry to hear that Mr P was caused worry and distress. I don't think it was the agents intention to make Mr P feel this way. I do agree with Mr P that a fuller explanation could have been provided on the call. However, the information provided by the agent was correct. On balance I'm of the view that this is an issue of style rather than substance. I don't agree that the agent threatened Mr P during the call.

I appreciate that this has been a frustrating experience for Mr P. However, I'm satisfied that the bank acted in accordance with its processes and provided correct information to Mr P about how his account can be used. For these reasons, I won't be asking the bank to do anything further.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 17 April 2024.

Emma Davy
Ombudsman