

## **The complaint**

Mr R complains that HSBC UK Bank Plc unfairly recorded negative information on his credit file in relation to a personal loan.

## **What happened**

Mr R says around February 2025 he called HSBC to set up a direct debit for his loan. He explained he was sent a form to complete but missed the instructions about how to return it due to his mental state.

Mr R says he sent HSBC the form the next day via post. Mr R says he assumed the direct debit was set up and so didn't check his bank account to see if payments were taken. But he says he later found out two payments had been missed and reported on his credit file. Mr R believes HSBC either lost the form or threw it away.

Mr R complained to HSBC. HSBC sent a final response in April 2025. This said it had specifically told Mr R not to post the direct debit mandate to it and to send it via email or go to branch. It explained that as Mr R had posted the form, the direct debit hadn't been set up and it wouldn't remove the negative information.

Mr R referred the complaint to our service. He said HSBC didn't tell him when the payments were missed. He explained the impact this had on his mental health. And he asked for the negative information about the missed payments to be removed from his credit file.

An investigator then issued a view and didn't uphold the complaint. In summary, he explained a staff member at HSBC told Mr R on the phone not to post the direct debit mandate to it and instead asked Mr R to email it, or to take it to a local branch. And he said an email sent afterwards confirmed this.

Our investigator said as Mr R posted the form instead, he didn't think HSBC had acted unfairly by reporting the missed payments as a result of the direct debit not being set up.

Mr R remained unhappy and in summary said he felt very let down. And he said the whole situation hadn't been taken into account.

As Mr R remained unhappy, the complaint 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.

Having done so, I don't think this complaint should be upheld. I'll explain why.

To be clear to both parties, this decision only addresses the issues noted above and does not cover any other complaints Mr R may have made.

I'd like to explain that while I've carefully considered all of the information and points raised, I'm going to focus my decision on the crux of Mr R's complaint. This reflects the informal nature of our service.

It isn't in dispute that Mr R was sent a direct debit mandate for his loan and was told on the phone to email this back or visit a local branch. And I've seen an email sent to Mr R on 19 February 2025 about a different complaint he made. As part of this response, HSBC said:

*"I've added an attachment of the Direct Debit mandate that you need to print off and complete.*

*Once you've done this, rather than sending the mandate back by post, please can you reply to this email with the completed mandate, so I can sort it for you.*

*I'll email you again to let you know when this has been done.*

*If you're unable to print and complete the mandate, you will need to visit a branch, like we discussed. Please take some photo id with you if you do have to go in."*

Thinking about this, I think HSBC gave Mr R clear instructions about how to proceed to make sure things were set up correctly. And it isn't in dispute Mr R didn't email back or visit a local branch until later.

Given this, I can see why HSBC didn't uphold the complaint. However, I do think if Mr R had sent the mandate back via post to the correct address and HSBC received it, it still would have been reasonable to set this up.

The issue here is that, beyond Mr R's testimony, I haven't seen evidence this was done. I've seen a copy of HSBC's contact notes, and it isn't noted any mandate was received. And Mr R hasn't provided anything, such as proof of postage, to show if, when, or importantly where, this was sent.

Taking all of this into account, I can't see HSBC did anything wrong under the circumstances of this complaint.

I was pleased to note that the direct debit was later set up when Mr R visited a branch, and I hope this has resolved any ongoing issues for him.

Mr R later raised concerns about the dates the missed payments were recorded on his credit file. HSBC has confirmed to our service that it is going to update these. But this issue didn't form part of the complaint Mr R raised, so I make no findings on this specific point.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 12 November 2025.

John Bower  
**Ombudsman**