

The complaint

Mr D says HSBC UK Bank Plc ('HSBC'), has poorly administered his credit card. He complains that he now can't access it online, which makes it difficult for him to manage it.

What happened

This complaint is about a credit card that Mr D has with HSBC. In 2024 HSBC wrote to Mr D and informed him that it was discontinuing his current credit card account, and it would replace this with another card from its range. It said Mr D wouldn't be able to use the old card when it was replaced with the new card, and that he would receive the new card in mid-2024.

Mr D didn't receive a new card and, after some contact with HSBC, he complained about this. HSBC responded, and I understand it paid him £150 for the delay in the receipt of the new card.

In November 2024 Mr D complained again that he still hadn't received the new card. He also complained that he couldn't access his account online or in the app. He requested that HSBC write off the balance he had on the card, as he couldn't now properly manage it.

HSBC then told Mr D that it would not be issuing a new card on the account, and it would effectively be closing it for new lending. It's said that it reviewed the account and had decided not to lend to Mr D. It did recognise that this would cause Mr D some inconvenience and it offered a further £150 compensation for this. And it said it would review how he could administer the account going forward.

Later in November 2024, in a further consideration of his complaint, HSBC said that whilst it could not issue a new card, Mr D had use of the lending in the past, and so he should repay the amounts he borrowed. Mr D didn't agree with this, and he brought his complaint to the Financial Ombudsman Service.

HSBC continued to try and rectify the problems Mr D had in seeing his card account information online. However, it has now confirmed that it will not be able to resolve this, and Mr D will not be able to use online functionality. He will need to manage the account using paper statements or by telephone banking. It offered a further £150 compensation for this, making the total offer of compensation to £450. Mr D still thought the account balance should be written off.

Our Investigator went on to uphold Mr D's complaint. He thought that whilst HSBC didn't have to lend to Mr D, or offer the services he wanted, he did acknowledge the impact that the change in service has had on him. He thought that Mr D should receive a further £100 compensation above what HSBC had offered, making a total payment of £550.

Mr D didn't agree, he still feels that due to the errors HSBC has made, and that it will now be harder for him to manage the account, that he should have the amount he owes written off.

Because Mr D didn't agree, this matter has been passed to me to make a final 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.

As a starting point HSBC has decided not to lend to Mr D going forwards. This seems to be partly due to the change in the products it offers. It isn't usually appropriate for the Financial Ombudsman to become involved in a decision to change products as businesses should be free to decide whether to provide products and services, in this case lending. To put it another way, it wouldn't be right to say that HSBC should continue to lend here, and I'm not upholding Mr D's complaint on this basis.

But, as HSBC has said, Mr D has borrowed from it in the past and he has an outstanding debt. So, I think it's a reasonable expectation that Mr D should be able to use the online services that HSBC offers to do this, as he has done in the past. HSBC has recognised that it isn't right he can't now do this. There isn't any dispute about this now. So, I've thought about what appropriate compensation for this is.

HSBC decided to change the card, and then was unable to provide a new card or lending to Mr D. All of this has resulted in Mr D not being able to view his account online. But Mr D has had the benefit of this money and so, as a starting point, he should repay it.

Mr D thinks, as he can't manage the account in the way he wants to, the debt should be written off. But Mr D won't be using the account going forward for purchases, and so a monthly paper (or email) statement would give him enough information to manage and repay the outstanding debt. I'm sure this isn't as convenient as being able to see his account on the app or online, but I don't see why he would be prevented, or it would be too difficult for him, to manage to repay the amount he owes. So, I don't think the debt should be written off.

It's clear that all of this has caused Mr D some frustration and inconvenience. He was told he would receive a new card, and this hasn't happened, rather he went on to lose the use of the account for spending. I don't think this was properly explained to him over time and the situation where he wasn't clear about what would happen about a new card, and the account, lasted several months. I can see from the communications between Mr D and HSBC that this uncertainty was distressing for him. And he will find repaying this debt less convenient due to not being able to access it online. I think HSBC should have done better here.

So, I think the amount of compensation should be increased from what HSBC has offered, and I think the compensation recommended by our Investigator provides reasonable compensation for this. My decision is that HSBC should pay this. That is £550 in total.

Whilst I'm upholding this complaint, I appreciate that this will not be the answer that Mr D wants and I hope it does not cause any undue distress to him.

Putting things right

HSBC should now:

- Pay Mr D £550 in total to compensate him for the distress and inconvenience HSBC's errors have caused him.
- If HSBC has already paid any of this it does not need to pay it again.
- HSBC should send regular statements to Mr D (either by paper or email, according to Mr D's preference) to allow him to manage the amount he owes.

My final decision

For the reasons I've explained, I uphold Mr D's complaint.

HSBC UK Bank Plc should put things right by doing what I've said above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 24 October 2025.

Andy Burlinson
Ombudsman