

The complaint

Mr L complains about the information recorded on his credit file by HSBC UK Bank Plc.

What happened

Mr L held a credit card account with HSBC. In August 2024, HSBC emailed Mr L to let him know his direct debit instruction had been cancelled following instructions from his bank.

HSBC said it started sending Mr L his statements by post because his credit card account entered into arrears after Mr L missed a payment in October 2024. In November 2024, Mr L made payments to his credit card account that he believed had cleared the outstanding balance. However, a small balance remained. Mr L later discovered HSBC were reporting his credit card account as in arrears and complained.

In its April 2025 final response to Mr L's complaint, HSBC said it was reasonable to conclude Mr L only missed his repayments because HSBC didn't notify him that they were due. To put things right, HSBC said it would remove any arrears recorded from his credit file.

Mr L repaid the outstanding balance on 2 June 2025. HSBC then told him his credit file would have shown the outstanding balance until he paid it off.

Mr L contacted our service later in June 2025 as his credit file still hadn't been amended. HSBC said it hadn't made an error as it had issued statements and sent Mr L emails about the arrears on his account. However, it had removed all arrears until June 2025 from his credit file, which could take a further eight weeks to update.

One of our investigators reviewed Mr L's complaint and didn't recommend HSBC take any further action to resolve it. The investigator said HSBC hadn't made an error when recording the arrears on Mr L's credit card account as a balance remained outstanding, and HSBC had issued statements to him. However, HSBC had taken steps to remove any arrears from his credit file which should show within six to eight weeks. The investigator said HSBC had treated Mr L fairly in the circumstances.

Mr L said our investigator hadn't taken into account the impact this matter had on his credit score and access to credit. He said HSBC had admitted it hadn't contacted him about the outstanding balance owed. Our investigator explained to Mr L that HSBC had also sent letters about the arrears owed on his account. As HSBC hadn't made an error, the investigator didn't think they needed to take further steps to put things right. As Mr L remained unhappy, this complaint was referred to me for a 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.

HSBC's initial response to Mr L's complaint said it should have realised Mr L wasn't a regular user of online banking, and it had received an automated response to an email it

sent him in January 2025. So, HSBC said it was reasonable to assume payments were missed because it hadn't notified Mr L they were outstanding.

However, HSBC later clarified it issued statements by post and sent letters and emails to Mr L about the arrears on his account. Having considered the evidence available, I think it's likely HSBC continued to issue statements and try communicate with Mr L about the outstanding balance owed to it.

It is ultimately Mr L's responsibility to ensure any outstanding balance owed on an open credit card account is paid. I don't think it's likely HSBC made an error in reporting arrears on Mr L's credit card. So, I don't think it's liable for any impact the arrears reporting has had on Mr L's credit file or access to credit.

After Mr L referred his complaint to our service, HSBC decided to remove the arrears from the credit file until June 2025. Given I don't think HSBC necessarily made an error in reporting the arrears, I think it's treated Mr L very fairly in offering to remove them.

So, whilst I realise the impact this matter had on Mr L's credit score, I've not asked HSBC to take further steps to put things right. I've not considered HSBC's actions beyond the date of its final response in July 2025. So, if there are any issues with Mr L's credit score beyond that date, he should contact HSBC directly.

My final decision

My final decision is that I do not require HSBC UK Bank Plc to take further steps to resolve this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 12 March 2026.

Victoria Blackwood
Ombudsman