

The complaint

HSBC UK Bank Plc provided Mr W with a credit card in September 2008. It's not clear what the credit limit was or if it was ever increased, but in December 2020 it was £6,500. On 14 January 2025, Mr W complained to HSBC saying had lent to him irresponsibly.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts aren't in dispute, so I'll focus on giving the reasons for my 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.

There are time limits for referring a complaint to the Financial Ombudsman Service, and HSBC thinks this complaint was referred to us too late. Our investigator explained why he felt it was reasonable to interpret the complaint as being about an unfair relationship as described in Section 140A of the Consumer Credit Act 1974. He explained to both parties why that meant the complaint had been referred to us in time.

For the avoidance of doubt, I agree with our investigator that I have the power to look at the complaint on this basis. I acknowledge HSBC still doesn't agree we can do so but as I don't think it should be upheld, I don't intend to comment on this further.

Given what Mr W has complained about, I need to consider whether HSBC's decision to lend to him and increase his credit limits, or its later actions, created unfairness in the relationship between them such that the bank ought to have acted to put right the unfairness – and if so whether it did enough to remove that unfairness.

Mr W's relationship with HSBC is therefore likely to be unfair if it didn't carry out reasonable affordability checks and doing so would have revealed its lending to be irresponsible or unaffordable, and if it didn't then remove the unfairness this created somehow.

We've set out our general approach to complaints about unaffordable or irresponsible lending on our website, and I've taken this into account in deciding this complaint.

HSBC hasn't been able to provide much information about the account opening because it was opened around 17 years before the complaint was raised. It has told us when the account was opened and provided some letters it sent Mr W from December 2020 onwards. These letters show the credit limit was at that time £6,500, his balance was in excess of that and he had a missed payment to the account. HSBC sent him a default notice on 15 March 2021 as he had entered into an Individual Voluntary Arrangement (IVA).

Businesses are not expected to retain records indefinitely and are only generally obliged to keep them for six years. So it's not unusual that the bank doesn't have any details of the lending decisions taken longer ago than that. We've asked Mr W for any information he may

have from the time too – including any evidence of increases in his limit - in order to see what HSBC may have seen at the time. But he hasn't been able to provide anything either.

I've read and considered everything Mr W and HSBC have been able to provide, but I don't have enough to be able to reasonably reach a conclusion that the bank was irresponsible to lend to Mr W back in 2008. And I've not seen any evidence of lending decisions – such as limit increases – having been taken more recently.

I realise my decision will come as a disappointment to Mr W, but I simply don't have any evidence with which to make a finding that HSBC has acted unfairly by lending to him or in any other way since.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 5 January 2026.

Richard Hale
Ombudsman