

complaint

Miss D complains about HSBC Bank plc debt collection process particularly collection calls, ignoring a repayment plan and passing the debt to a debt collection agency.

background

Miss D had an overdraft with HSBC. She stopped paying into this account and opened an account with another bank into which she paid her salary. As a result the bank issued dormancy letters and began its debt collection process. Miss D was initially unemployed and made some repayments. She got another job and discussed with the bank her financial difficulties. Miss D made an offer to repay the money, but the bank required her to discharge the debt over a shorter period or pay her salary into an HSBC account.

Our adjudicator did not uphold Miss D's complaint and felt that HSBC had not acted unreasonably. Miss D disagreed.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

Miss D was unhappy with the service she received from HSBC and opened another account. Unfortunately, she left her account with HSBC overdrawn and it began its debt collection process. Miss D complains about the number of phone calls made. As our adjudicator has noted we would expect a bank to pro-actively attempt to discuss a customer's difficulties with them. Therefore we would expect a number of phone calls between Miss D and the bank and, like our adjudicator, I do not find these excessive.

HSBC assessed Miss D's ability to repay, with her co-operation. This indicated to it she had the financial ability to repay the debt within five months. Miss D offered to repay the debt within six months but this repayment plan was refused by the bank. It required Miss D either to put her salary into an HSBC account - which she did not want to do - or pay it off in a shorter period.

I believe the bank could have displayed a greater flexibility at this time. That said, I note that Miss D did not meet her own repayment schedule. The first payment which was meant to be £500 was in fact £300. There was a second payment of £175 but then payments ceased and the balance of the debt remains unpaid. I consider, therefore, it unlikely that the repayments offered by Miss D would not have been met and the account would inevitably have passed to the bank's collection agents. I therefore cannot fairly uphold Miss D's complaint that HSBC should not have taken this action.

my final decision

My decision is that I do not uphold this complaint

Gerard McManus
ombudsman