

complaint

Mr N complains about the service that he received from HSBC UK Bank plc when he contacted it about his financial difficulties.

background

Mr N has a bank account with HSBC. He also has a loan account and a credit card with HSBC. He contacted HSBC in early July 2018 because he says that he was in financial difficulties, he'd lost his job and his mother was unwell. HSBC agreed to suspend the interest and charges on his accounts for 60 days and its call notes say that Mr N was aware that his credit card was being blocked. Mr N contacted HSBC in September 2018 and provided updated income and expenditure information – and it agreed to suspend interest and charges on his accounts for a further 90 days – but it removed the overdraft from his account. Mr N wasn't satisfied with its response so complained to this service.

The investigator didn't recommend that this complaint should be upheld. He didn't think that HSBC had acted unfairly. He said that it put repayment plans in place to try to assist Mr N while he was in financial difficulty and he thought that HSBC had clearly explained the terms of the agreement to Mr N and that access to his credit card and overdraft would be removed when the agreements were in place. And he said that wasn't an unfair thing for HSBC to do.

Mr N has asked for his complaint to be considered by an ombudsman. He says, in summary, that his financial difficulties wouldn't have continued if HSBC hadn't suspended everything immediately. And he says that HSBC suspended his bank account and credit card account without any notification.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I sympathise with Mr N for all of the difficulties that he's suffered – he lost his job, his mother's been unwell and he's experienced financial difficulties. A bank is required to respond to any financial difficulties that a customer is experiencing both positively and sympathetically.

Mr N contacted HSBC about his financial difficulties in early July 2018. It agreed to suspend interest and charges on his accounts for 60 days. HSBC's call notes say that Mr N was told that his credit card would also be suspended. Mr N contacted HSBC again later that month because he'd tried to use his credit card but had been unable to do so. HSBC told him that his credit card had been blocked as part of the arrangement that had been put in place earlier that month. And I consider it to be more likely than not that Mr N had been told that his credit card would be suspended.

Mr N then contacted HSBC in September 2018 and provided updated income and expenditure information. HSBC agreed to suspend interest and charges for a further 90 days but on that phone call he was told that this would apply to all of his accounts, that it would revoke his credit card and that it would need to remove the overdraft limit from his bank account. And it also told Mr N that the direct debit for his loan repayments would be cancelled.

I can understand that Mr N wouldn't have wanted his overdraft to be removed or his credit card to be revoked. But he'd contacted HSBC because he was in financial difficulty and it agreed to suspend interest and charges on his accounts. And I consider it to be fair and reasonable that it would want to stop Mr N's indebtedness to it increasing as otherwise his financial difficulties would be likely to be made worse.

HSBC says that Mr N had failed to make any payments to any of his accounts for several months which led it to believe that he wasn't in a better position financially. It also says that letters that it has sent to Mr N have been returned to it marked to show that the addressee had gone away. So it says that it's updated its records to reflect that.

I consider that HSBC has responded positively and sympathetically to Mr N's financial difficulties. And I'm not persuaded that there's enough evidence to show that it has acted incorrectly in its dealings with Mr N. So I find that it wouldn't be fair or reasonable in these circumstances for me to require HSBC to take any action in response to his complaint.

my final decision

For these reasons, my decision is that I don't uphold Mr N's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 28 April 2019.

Jarrold Hastings
ombudsman