

## **The complaint**

Mr O has complained that HSBC UK Bank Plc (“HSBC”) irresponsibly approved him for an overdraft. He is also unhappy at the amount of contact he has received from HSBC’s collections department.

## **What happened**

Mr O held an account with an overdraft with HSBC. The overdraft limit was last increased in November 2018. Mr O complained about the lending and HSBC issued a final response to this on 20 March 2019.

Mr O complained about the amount of correspondence from HSBC’s collections department was excessive and that this was causing him distress.

HSBC explained that it uses a multitude of platforms to contact its customers as part of its collections process and that while it can stop some forms of contact it still has a regulatory requirement to issue letters when an account isn’t running within the agreed terms and its collections process started.

The matter was investigated by one of our adjudicators who concluded that we didn’t have the power to help with Mr O’s complaint regarding the overdraft lending because it had not been brought to us within six months of HSBC’s final response letter. And they didn’t think HSBC had done anything wrong in chasing Mr O for the outstanding debt as it had given Mr O time to see whether his situation had improved as well as sign posted him to external agencies that could help.

Mr O disagreed and has asked for an ombudsman’s decision on the matter.

## **Why I can only look into part of this complaint**

I can’t look at all the complaints referred to me. The rules applying to this service say that – where a business doesn’t agree – I can’t look into a complaint if it’s been referred to us more than six months after the business sends the consumer its final response letter, telling them they can refer their complaint to us. This is Dispute Resolution rule 2.8.2R(1) – and it can be found online in the Financial Conduct Authority’s handbook.

Mr O has already raised a complaint with HSBC regarding overdraft lending and HSBC issued a final response to this on 20 March 2019 which outlined Mr O’s referral rights to this service. This means Mr O had until 20 September 2019 to refer the matter to this service. But didn’t do so until June 2022. So I conclude the element of his complaint regarding irresponsible lending of his overdraft was referred to us out of time under the rules that I have to apply.

## **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.

It might be helpful for me to say here that, as we are not the regulator, I cannot make the bank change its systems or in this case collections process. We offer an informal dispute resolution service and we have no regulatory or disciplinary role.

My role is to look at problems that a consumer has experienced and see if the bank has treated the customer unfairly or done anything wrong. If it has, we seek to put the consumer back in the position they would've been in if the mistakes hadn't happened. And we may award compensation that we think is fair and reasonable.

And in this case I don't think HSBC has treated Mr O unfairly. Mr O had an outstanding overdraft debt with HSBC and HSBC is entitled to recoup that debt and in doing so it has a process that it needs to follow and part of that is keeping Mr O informed about the status of his account and what is happening.

I can see that HSBC has worked with Mr O and his circumstances to agree a repayment plan on more than one occasion over many months, as well as sign posting Mr O to external agencies that can help. And when it became clear Mr O wasn't able to repay the outstanding balance on his overdraft HSBC followed its process and issued Mr O with a final demand and closed his account.

I accept that Mr O feels the amount of contact he has received from HSBC is excessive and no doubt has caused him some distress. But I can see that in response to Mr O's concerns HSBC has at times provided breathing space for Mr O to get back on track as well as putting a stop on all collections calls and texts being issued and Mr O has confirmed the same.

So overall I don't think HSBC has treated Mr O unfairly, it took steps to limit unnecessary contact when this was raised as a concern whilst still keeping Mr O informed about the status of his account.

So it follows that I do not uphold Mr O's complaint.

### **My final decision**

I do not uphold Mr O's complaint against HSBC UK Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 8 September 2023.

Caroline Davies  
**Ombudsman**