

The complaint

Ms S has complained HSBC UK Bank plc rejected her application to open an account and want to understand why.

What happened

After seeing a cashback offer for HSBC, Ms S applied for a specific type of account.

HSBC told Ms S that they were rejecting her application as she didn't meet their credit criteria. Ms S was unhappy with this and asked the ombudsman service to consider her complaint.

Our investigator reviewed the evidence but didn't think HSBC had done anything wrong.

Still unhappy, Ms S has asked an ombudsman to review her complaint.

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.

Having done so, I've reached the same conclusion as our investigator. I'll explain why.

I can see HSBC reviewed Ms S's application for a specific type of account when she applied for this in late 2023. As she didn't meet their criteria, HSBC rejected the application.

Ms S is upset and wants to know what her credit score was as she believes there's nothing wrong with her credit and had never been rejected for anything before.

I've reviewed the application and the details she provided to HSBC. Ms S works part-time and earns under £10,000 a year. This means that her gross monthly income is less than £830 a month. She also confirmed a small amount of savings.

A feature of the account Ms S applied for is that it comes with a £1,000 overdraft. Overdrafts are repayable on demand. In assessing Ms S's application, HSBC would note that Ms S – based on her income – would not be in a position to repay a £1,000 overdraft immediately.

I appreciate Ms S would like to have her credit score confirmed but in fact HSBC use their own credit scoring mechanism and this wouldn't necessarily match or reflect what she may recognise as the credit score that credit reference agencies talk about.

I'm satisfied that based in what HSBC knew about Ms S's financial situation, it wouldn't be fair to ask them to do anything further.

My final decision

For the reasons given, my final decision is not to uphold Ms S's complaint against HSBC UK Bank plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms S to accept or reject my decision before 13 June 2024.

Sandra Quinn
Ombudsman