

The complaint

Mr L complains that HSBC UK Bank plc is closing his credit card account.

What happened

Mr L has a Gold HSBC credit card which provides him with an annual worldwide travel insurance policy. He received a letter from HSBC in March 2024 which said that it was closing that account for all customers on 24 September 2024. It also said that the travel insurance cover would extend to cover any trips booked before 24 September 2025 and that it wouldn't charge for the final year of travel insurance. The letter said that a refund of any annual fees to cover the period from 24 September 2024 would be made.

Mr L complained to HSBC about the closure of the account but it didn't uphold his complaint. It said that the decision to remove the card hadn't been taken lightly but it was made in line with the account terms and conditions. It apologised for the poor service that Mr L had received with his complaint and it made a payment of £100 to his bank account. Mr L wasn't satisfied with its response so he complained to this service.

Mr L's complaint was looked at by one of this service's investigators who, having considered everything, didn't think that it should be upheld. He believed that HSBC had followed its processes correctly and offered a correct explanation and he said that it didn't need to take any further action.

Mr L didn't agree with the investigator's recommendation and asked for his complaint to be considered by an ombudsman. He says that he was told that the travel insurance policy would remain until he passes away. He also says that he worked for HSBC and was given the Gold HSBC credit card as a benefit in kind and had retained it for 48 years; he asked HSBC to extend the card for a further five years to September 2030 but didn't receive a response; and he's found an insurer that will provide travel insurance cover but, because of his age, the cost is very high and there are a number of key exclusions so he and his wife won't be able to travel abroad.

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.

HSBC wrote to Mr L and other customers in March 2024 to say that it was closing its Gold credit card account for all customers on 24 September 2024. The letter said that the travel insurance cover would extend to cover any trips booked before 24 September 2025 and that it wouldn't charge for the final year of travel insurance. The letter also said that a refund of any annual fees to cover the period from 24 September 2024 would be made.

The terms and conditions of the account say: *"If we're ending the agreement, we'll write to tell you two months before we end it"*. I don't consider that HSBC was required to keep the account open for any of its customers and it gave more than two months' notice to Mr L and other customers that it was closing the account so I consider that it acted in accordance with

the terms and conditions.

The letter that it sent to Mr L and other customers clearly explained what was happening about the travel insurance policy and refund of fees – and the travel insurance cover was extended for a year without charge.

It's clear that the removal of the travel insurance policy has significant consequences for Mr L but I've seen no evidence to support his claim that he was told that it would continue for the rest of his life. HSBC said that the travel insurance cover would extend to cover any trips booked before 24 September 2025 but I don't consider that there is any requirement for it to continue cover after then.

HSBC apologised for the poor service that Mr L had received with his complaint, including the number of times that he'd called and didn't receive a call back as promised. That is likely to have caused further distress and inconvenience for Mr L but HSBC has said sorry and has made a payment of £100 to his bank account. I consider that to be fair and reasonable compensation for that distress and inconvenience.

I'm not persuaded that there's enough evidence to show that HSBC has acted incorrectly in connection with the closure of the credit card account. I find that it wouldn't be fair or reasonable in these circumstances for me to require it to take any further action in response to Mr L's complaint.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 2 October 2024.

Jarrold Hastings
Ombudsman