

complaint

Mr F complains about how HSBC Bank plc has dealt with him since he accepted an ombudsman's decision on a previous complaint.

background

Mr F was the director of a limited company, S. He complained before about the interest HSBC was charging. Mr F was also unhappy that the bank wouldn't accept a reduced amount to settle S' debt.

That complaint was partly upheld by the ombudsman. HSBC was ordered to reduce the debt by £11,350. Mr F complains about the amount of interest that the bank has added. He says that HSBC has breached the Consumer Credit Act (CCA). Mr F is also unhappy that the debt is now with a debt collector.

Our adjudicator found that HSBC had done nothing wrong. He found that the bank was entitled to charge interest. The adjudicator also said that the debt was not covered by the CCA. He also found that HSBC was entitled to transfer the account to a debt collector.

Mr F remains unhappy. He wants an ombudsman's review.

my findings

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

Mr F has made numerous arguments in support of his complaint. I have considered all of these fully. But my final decision focuses on what I consider to be the main issue. Has HSBC acted correctly since Mr F accepted the ombudsman's decision on his previous complaint?

I want to make it clear that I am not looking at the merits of the previous decision. I am only dealing with HSBC's actions since.

Mr F has commented on HSBC's regulatory history. He also says that he has been treated differently to other HSBC customers. I would point out that my decision looks only at the circumstances of this individual complaint. Not what has happened to HSBC previously or how it has dealt with other customers.

Interest added to debt

HSBC was ordered to reduce the outstanding debt by £11,350. This was recommended by our adjudicator in June 2013. At that time S' debt would have been reduced to £7,479.94. HSBC asked for an ombudsman's review.

The ombudsman ordered HSBC to reduce the debt in October 2013. Mr F accepted this decision in November 2013. In December 2013 the bank told him that S' debt had been reduced to £8,293.84.

This was more than Mr F was expecting. HSBC told him that interest was still being added to the debt. The bank said that as our adjudicator has recommended the debt reduction in June 2013, it had been backdated to then. That meant that interest had only been charged on that

lower amount from June 2013. This meant that S's debt was reduced by £12,160.11, not £11,350. I am satisfied that this was fair and reasonable.

Mr F was still unhappy. I can see that, as a gesture of goodwill, HSBC agreed to reduce the debt further, back to £7479.94. Again, I am satisfied that this is fair and reasonable.

Consumer Credit Act (CCA) breaches

Mr F says that HSBC has breached the CCA in various ways, including still charging interest on the debt. It is for court, not me, to decide if the CCA has been breached. My role is to look at what is fair and reasonable.

The managed loan agreement that I have seen from 2009 was between HSBC and S, not Mr F. He has signed that agreement on behalf of S, not as a consumer. S' debt was supported by the personal guarantee Mr F had already given. I have seen nothing to show that the debt is covered by a consumer credit agreement regulated by the CCA.

debt collection

I am happy that who collects the debt is an internal matter for HSBC. It is entitled to use internal or external debt collectors.

In the circumstances, I am satisfied that HSBC has dealt with Mr F in a fair and reasonable way since he accepted the ombudsman's decision on his previous complaint.

my final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr F to accept or reject my decision before 9 July 2015.

John Miles
ombudsman