

The complaint

Mr S complains HSBC UK Bank Plc didn't act responsibly in relation to gambling transactions he made between 2018 and 2022 or intervene despite clear signs of financial distress.

What happened

Mr S had an account with HSBC from 2018 and 2022.

In February 2025 Mr S complained to HSBC that it hadn't intervened despite the fact that he'd made tens of thousands of pounds worth of gambling transactions from his account. He said that had HSBC intervened his finances wouldn't have deteriorated to the point where he took out multiple loans, maxed out his credit cards and ultimately had to enter a debt management plan.

HSBC looked into Mr S's complaint and said that it couldn't restrict a customer's spending without them asking to do so and that it couldn't have done more.

Mr S was very unhappy with HSBC's response and complained to our service. He brought other complaints to our service about other businesses, including businesses he'd taken out loans from and businesses who he'd opened trading accounts with, saying that they also should have done more. Some of those complaints have already had decisions from ombudsmen and some are still with investigators. This decision relates to Mr S's complaint about HSBC and only that complaint.

One of our investigators looked into Mr S's complaint about HSBC but didn't uphold it. They said they only thought HSBC would be likely to become aware there was a problem in Mr S's case if it had been alerted by him or for some other reason. They said that they hadn't found anything to suggest that Mr S told HSBC he was in financial difficulties or had a gambling problem. Nor did they think HSBC ought to have been concerned about payments Mr S was making to legitimate trading companies to the point that it should have intervened.

Mr S was unhappy with what our investigator said and asked for his complaint to be referred to an ombudsman for a decision. He said that his statements evidenced that he was in financial distress and problem gambling. And that HSBC had an obligation to monitor for financial harm whether a customer self-reported or not. His complaint was, as a result, passed to me.

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.

I can see that Mr S moved his banking to HSBC in November 2018 using the switch service and that he was offered an account without an overdraft. I can see too that he was never offered an overdraft during his time with HSBC and that over the years HSBC reversed a relatively large number of payments as they would have resulted in Mr S being overdrawn.

Those payments included payments to what appear to be mobile phone providers and businesses with whom Mr S had taken out loans, amongst others. As far as I can see, there was only one instance when HSBC reversed a payment that appears to relate to gambling.

I can see that Mr S made a large number of payments to two businesses in particular, and that both offer their customers the ability to trade in contracts for differences. These are known to be high risk investments, but I can see that the complaints Mr S has brought include complaints against those two businesses. More importantly, I can see that Mr S has confirmed that these transactions are the “gambling transactions” he’s complaining about. In other words, the ones in relation to which HSBC should have intervened. He says that high risk investments such as contracts for differences are akin to gambling due to their speculative nature. I can see too that Mr S made payments to a well-known cryptocurrency provider but he’s not mentioned them in his complaint.

I can see that Mr S’s account with HSBC was closed in April 2022.

I agree with Mr S that HSBC’s obligations to further than simply acting if a customer says they have a problem. HSBC should be looking out for signs of financial difficulties or harm. I agree too that HSBC reversed a large number of payments. But in this case, I can see why HSBC wouldn’t have had concerns about the payments that Mr S was making to the two trading companies he’s mentioned. For that reason, I agree that HSBC shouldn’t have been expected to do more here. I’m conscious that Mr S has complained about these companies too – as well as the companies he took out loans with amongst others. For that reason, I don’t think it’s helpful or appropriate to say more.

My final decision

My final decision is that I’m not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr S to accept or reject my decision before 6 June 2025.

Nicolas Atkinson
Ombudsman