DRN-5599317

Financial Ombudsman Service

The complaint

Mr C is unhappy with HSBC Bank UK Plc. Mr C said he has a gambling addiction and suffers with his mental health. He was left some inheritance money and spent all the money within a few days on gambling. He said the amounts being spent should have flagged with HSBC as suspicious. He would like all the money he spent on the gambling transactions refunded. He would also like an apology and compensation.

What happened

Mr C said he was making gambling transactions of between £50 - £200 over the short period. He said this wasn't how he usually used his account. But he said he made all the transactions via open banking, so all he had to do was click a button and send the funds, which he said fed his addiction.

Mr C contacted HSBC to raise a complaint about this but said he was told it was his fault. He said he was told to ring a scam number even though he had explained what had happened. Mr C asked HSBC to do a chargeback arrangement for all the payments but it wasn't interested and just gave him £50 compensation.

HSBC said it was sorry to hear about Mr C's problems and what he was going through. It confirmed he could add a gambling restriction to his account. It said Mr C had now done that and it has added its own note so agents would be aware of his situation. It said it had no way of knowing about Mr C's problems until he informed it.

HSBC said as Mr C used open banking to make the payments each and every transaction would have needed him to authorise the payment. It said as he had done this it had no reason to be suspicious of the transactions. It said he made regular payments to the gambling firm involved. HSBC said it wouldn't reimburse Mr C as it hadn't made any errors in its process or procedures.

HSBC offered Mr C £50 compensation because it felt after the issues one of its agents could have given Mr C better information and should have raised his complaint for him at that time. It paid the money into his account.

Mr C didn't accept this and brought his complaint to this service.

Our investigator didn't uphold the complaint. She said the second agent Mr C spoke to did try to direct him to the right department regarding chargebacks. She felt the £50 compensation was reasonable for the first agents mistake. But in relation to the refunds she accepted HSBC wasn't aware of Mr C's gambling addiction. She accepted this is a difficult topic to talk about but said when he did finally make it aware HSBC showed him how to place gambling restrictions on his account. She noted it also encouraged Mr C to explain this further so it could add notes to his file with his permission. She noted HSBC had confirmed Mr C went through a secured site and verified each individual payment. She accepted HSBC wasn't required to refund the payments. She didn't accept Mr C had made HSBC aware of his mental health issues or his gambling addiction in advance.

Mr C didn't accept this and asked for his complaint to be passed to an ombudsman for a final decision.

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've reviewed all the evidence and information provided to me by both parties. But I won't be commenting on everything. I will deal purely with what I see as the main, central points.

Mr C said he was taking medication for his medical conditions. He said he was in a bad place and gambled with money he was meant to spend on rent and bills. Mr C said he had now reached out for help with his gambling addiction.

Mr C maintained the amounts he was spending should have flagged as suspicious. He said the gambling company had referred him back to his bank and closed his betting account.

Mr C said HSBC hadn't acted in line with the rules of safer gambling. And it hadn't offered him anything at all. He said this was causing his mental health to deteriorate further.

HSBC did apologise to Mr C in its final response for what he was going through. It said until he brought up his issues it had no way of knowing about the problems Mr C was facing.

It maintained there was no reason to flag any of the transactions as Mr C had needed to authorise them all individually. It also said using the gambling company was in line with Mr C's usual spending pattern. And as this was done through a secure site there was no reason to think there was any problem. In view of this I can't expect HSBC to have done anything more. There was no requirement for it to check anything further with Mr C individually authorising each payment. These looked to HSBC like normal payments from Mr C.

HSBC said there was no bank error or mistakes made. It also noted Mr C did get some credits back from the gambling company. And it actioned the payments as Mr C requested as it said it is required to do.

I note Mr C did produce a list of the transactions he wanted HSBC to put through chargeback. It took a second agent to put Mr C on to the right department. After this HSBC conducted and completed its investigation. It then confirmed there were no mistakes around the gambling transactions and it made the compensation offer for the inaccurate information. It said the £50 apology for the poor service from one of its agents and the lack of accurate information was fair. I think that's reasonable.

I accept this has been a tough time for Mr C but HSBC it wasn't responsible for his gambling addiction or his mental health issues. It also pointed out Mr C hadn't reached out in advance so it wasn't and couldn't have been aware in advance of this complaint situation. I accept that. There's no record of Mr C making HSBC aware of his problems before he raised this complaint.

Based on this I can't expect HSBC to have taken any other action around Mr C and his account transactions. It's clear since it was aware of the issues it offered further advice and support to Mr C. Mr C has continued to add points about his complaint throughout and I've reviewed these. But I don't think he has added anything that changes what happened here.

I think HSBC has acted fairly and reasonably throughout.

My final decision

I don’t uphold this complaint.

I make no award against HSBC Bank UK Plc.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr C to accept or reject my decision before 3 September 2025.

John Quinlan
Ombudsman