

The complaint

Mr C complains that HSBC UK Bank Plc didn't do enough to protect him from the financial harm caused by gambling.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

On 17 October 2025, Mr C used his HSBC debit card to make seven payments to a cryptocurrency exchange totalling around £7,240. The cryptocurrency was then sent to gambling sites, where the funds were lost through gambling activity.

When Mr C complained to HSBC, he said he'd spent approximately £15,685 on similar transactions in the previous 30 days, and the escalation in frequency and volume of high-risk transactions ought to have raised concerns. He said it should have blocked the transactions and warned him about the high-risk nature of cryptocurrency and that its failure to do so represented a missed opportunity to prevent his loss.

But HSBC refused to refund any of the transactions. It said there were several instances where similar transactions had flagged for checks and Mr C had confirmed them as genuine or asked it to reverse the payments.

Mr C wasn't satisfied and so he complained to this service. He said HSBC knew about his issues with uncontrolled spending and he had an active gambling block, yet it allowed multiple high-risk transactions to a cryptocurrency merchant during a period of escalating spending without any intervention.

But investigator didn't think the complaint should be upheld. She noted Mr C there was no evidence that there was an active gambling block in place at the time of the disputed transactions, or that HSBC knew about his gambling struggles before 23 October 2025. And even if there had been a gambling block, Mr C was sending funds to legitimate cryptocurrency merchants, which wouldn't have activated the block.

Our investigator further explained that she didn't think HSBC ought to have intervened before any of the payments because Mr C had made previous payments to cryptocurrency exchanges, so they weren't unusual. And even if it had contacted him, Mr C would likely have explained that it was him making the payments, and there was nothing to be concerned about.

Mr C has asked for his complaint to be reviewed by an Ombudsman. He maintains that HSBC failed to take reasonable and proportionate steps to prevent foreseeable harm and that it ought to have intervened to prevent his loss.

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. And for largely the same reasons. I know Mr C feels strongly about this complaint, and this will come as a disappointment to him, so I'll explain why.

There's a dispute over whether there was an active gambling block on the account, but I don't need to make a finding on this because, Mr C was transferring funds to a cryptocurrency merchant, which wouldn't be stopped by a gambling block.

In addition, I've reviewed Mr C's account and the payments he made and, having considered when they were made, their value and who they were made to, I'm not persuaded HSBC ought to have found any of them suspicious, such that it ought to have made enquires before processing them. I accept the payments were to a cryptocurrency provider, but this was a legitimate merchant, and there was a history of similar spending, so I don't think it needed to intervene. And even if it had intervened, I agree with our investigator that its likely Mr C would have confirmed the payments were genuine and that he wanted them to be processed. And in the circumstances, there's nothing else I'd have reasonably expect HSBC to have done.

I'm sorry to hear Mr C feel HSBC should have done more, but for the reasons I've explained, I can't fairly tell it to do anything to resolve this complaint.

My final decision

For the reasons I've outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 9 April 2026.

Carolyn Bonnell
Ombudsman