

## **complaint**

Mr G complains that HSBC Bank plc will not refund a card payment which he says he neither made nor authorised. He also complains that the bank has closed his account.

## **background**

On the morning of 16 September Mr G received a payment to his debit card from a bookmaker. He says that this was payment of a winning bet, because the bookmaker was unable to pay him in cash.

Later the same day a payment for the same amount was taken from Mr G's card. It is this second transaction which Mr G says he didn't authorise.

Shortly after this HSBC asked Mr G to close his account. Mr G thinks this is unfair.

## **my findings**

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

I shall deal first of all with the account closure.

Generally it is for banks to decide whether they want to provide – or continue to provide – banking facilities to a particular customer. Here, HSBC noted that Mr G used his account exclusively for gambling; his day-to-day banking was conducted through a different account. I think it was within its rights to decide that it no longer wanted to provide Mr G with a bank account.

I noted in my provisional decision that the two payments (one to and one from Mr G's account) had the same transaction code, but that the bank had not explained this. It has now explained that the debit was a reversal of the earlier credit. That is, the second transaction took back the payment made to Mr G earlier in the day.

I also commented in my provisional decision that Mr G had received a separate payment from the bookmaker, but had said he did not consider it relevant to the dispute here. I explained why I thought it was relevant, but Mr G has provided no more information about it.

It's unfortunate that neither side here has explained clearly what happened and why. But the information I have leads me to conclude the following:

- Mr G was paid money owed to him by the bookmaker. For whatever reason, that payment was made by way of a credit to Mr G's HSBC card. The transaction slip recorded that it was a 'refund' – although that was not really accurate, since at the time there was no corresponding payment from Mr G.
- The initial payment was later reversed, probably as a result of action taken by the bookmaker's bank when it noticed a 'refund' without a corresponding payment to the bookmaker. It's that reversal that Mr G disputes.

- This left the bookmaker with an outstanding debt to Mr G. I think it very likely in the circumstances that Mr G would have explained what had happened and sought payment from the bookmaker by some other means. And it's unlikely that an established high street bookmaker would have refused to pay him in full.

In conclusion, therefore, I take the view that HSBC reversed the original credit (and was entitled to do so). I also think it likely that the 'goodwill payment' was as much as or more than the original payment.

### **my final decision**

For these reasons, my final decision is that Mr G is not entitled to a refund from HSBC.

Michael Ingram  
**ombudsman**