

complaint

Miss G complains that a mortgage and loans granted to her by HSBC Bank Plc were irresponsible.

our initial conclusions

Our adjudicator didn't recommend the complaint should be upheld. He was satisfied that Miss G met lending criteria and that HSBC was unaware of the issues which resulted in Miss G's subsequent bankruptcy and repossession of the property. Miss G disagreed with the adjudicator's findings so it now falls to me to make a final decision on the complaint.

my final decision

To decide what is fair and reasonable in this complaint, I have considered everything that Miss G and HSBC have provided.

Miss G took out a mortgage in 2003 and two further advances in 2004 and 2005. In 2007 Miss G was declared bankrupt and the property was repossessed. Miss G says that, at the time the loans were granted, HSBC knew she had alcohol and gambling addictions and so its lending to her was irresponsible.

It is correct that by 2006 the bank was aware of Miss G's situation. But there is nothing in the available documentation to persuade me that HSBC was aware of her circumstances at the time she took out these loans. Miss G didn't volunteer the information and in fact she told the bank that she drank only 2-5 units of alcohol per week. The amount she was borrowing was within lending criteria. I'm also satisfied that the bank has no duty to monitor or police its customers' spending activities. So if Miss G qualified for the loans (which she did), it was not the role of the bank to tell her how to spend her money. I am very sorry for the position in which Miss G has found herself, and I hope she has been able to overcome her difficulties. But I'm not persuaded HSBC lent irresponsibly to Miss G in 2003, 2004 and 2005.

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I am required to ask Miss G either to accept or reject my decision before 28 April 2014.

Jan O'Leary

ombudsman at the Financial Ombudsman Service

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

ombudsman notes

The Financial Ombudsman Service is unable to provide advice to consumers and we have no remit outside consideration of complaints against financial businesses. But I think it is only right here to draw Miss G's attention to the availability of help through the NHS for the problems which led to her financial difficulties, should Miss G have any need of those services.

<http://www.nhs.uk/livewell/addiction/Pages/addictionhome.aspx>

what is a final decision?

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

what happens next?

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.