

## **The complaint**

Mr B complains HSBC UK Bank Plc won't refund a payment he made under duress.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute, so I'll focus on giving the reasons for my 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.

The starting position in law is that HSBC has a duty to process payments Mr B directs it to. And here Mr B isn't saying he didn't make the payment or give HSBC instructions to make the payment. But instead, due to the situation he was in when he made it, it shouldn't be considered authorised and it so it should be refunded.

I acknowledge the situation Mr B has described he was in when he made the payment. But HSBC has no obligation to refund a correctly processed payment that was made under duress. As it has set out, this would be a matter for the Police.

The technical steps for authorisation are clear and Mr B isn't disputing that he carried out all of these. The regulations that apply don't have a provision for the situation the individual is in. HSBC was not aware, nor could it have been aware, of the circumstances around why Mr B was making the payment. Mr B has provided an incomparable example where the party carrying out the action would clearly be aware the person wasn't consenting to it, which isn't the situation here. HSBC received instructions from Mr B to make this payment and it followed these. So under the Payment Services Regulations 2017, it's taken that Mr B did consent for HSBC to make the payment and it's considered authorised.

In this case I can't see that there would have been any indication to HSBC that Mr B was at risk of financial harm. While he's said he deliberately made failed log in attempts, he then did successfully log in. In relation to the payment, he's paid this person before. Mr B says this was also under duress, but he hasn't complained about these payments. He also received two credits from this person, just over two weeks before the disputed payment. And these credits totalled more money than he'd sent them at that time. So this seems to be an ongoing relationship and it's not clear why Mr B would receive any money from this person, considering how he's explained the situation to us.

Ultimately, the payment isn't dissimilar to other payments on Mr B's account; this is a known payee, it doesn't deplete the whole balance; and was, relatively speaking, a low value payment. So HSBC had no reason not to comply with its obligations and make the payment.

I also think that even if HSBC had been concerned and contacted Mr B, he would've instructed it to make the payment due to the threat he's said he was under. So HSBC didn't miss an opportunity to prevent this payment.

Mr B hasn't been the victim of fraud or a scam. He made the payments himself, knowing the money would leave his account and move to the individual he was paying. So there are no recovery options for him here via HSBC. I accept Mr B didn't want to make this payment and only did so due to the situation he was in, but HSBC is not required to refund him the money.

**My final decision**

For the reasons set out above, I don't uphold Mr B's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 23 April 2024.

Amy Osborne  
**Ombudsman**