

The complaint

Mr A complains HSBC UK Bank Plc didn't do enough when he fell victim to a scam.

What happened

Mr A has an account with HSBC with a credit card. He has accounts with another business too who I'll refer to as "B" throughout the rest of this decision.

Mr A contacted HSBC to say he'd been scammed into making fifty-four payments on an online platform. He said he hadn't received any service and asked HSBC for a refund saying he'd been tricked into making the payments.

HSBC says it looked into Mr A's claim and refunded two of Mr A's payments in error. HSBC says it then told Mr A that it wasn't possible to raise a chargeback in relation to the payments he'd disputed and that it wasn't liable under section 75 as the payments were tips. Mr A was unhappy with HSBC, and the way it had handled his complaint, and so complained to our service. He complained about B too saying its response was similar to HSBC's.

One of our investigators looked at both of Mr A's complaints. They ultimately didn't uphold his complaint against HSBC and said that B – who offered to refund Mr A's payments whilst we were looking into a complaint about them – had acted fairly.

Mr A wasn't happy with our investigator's recommendations and asked for his complaint to be referred to an ombudsman for a decision. His complaint was, as a result, passed to me.

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.

In this case I can understand why Mr A is unhappy – he paid someone who says he'd met two years previously over £8,000 using his HSBC account after they told him that they were in financial difficulties. He says he was tricked into making these payments as tips on an online platform where people post content – often adult content. That platform's terms and conditions – a copy of which I've seen – say that any user who attempts a chargeback will have their account suspended and that any chargebacks will be deducted from the content creator's account as it acts as a go-between. HSBC, on the other hand, has said that it couldn't have raised a chargeback as this isn't possible as far as tips on that platform are concerned. I can see why Mr A has told us that the platform's terms and conditions and HSBC's position appear to be at odds with one another. In this case, however, I'm satisfied that there are two things I need to consider, namely whether or not HSBC should have intervened when Mr A was making the payments he did and whether or not HSBC did enough to help him recover the money he'd sent.

Our investigator didn't think that the payments Mr A was making were large enough or unusual enough for HSBC to fairly and reasonably have been concerned that Mr A was at risk of harm / at risk of being scammed. In other words, that HSBC shouldn't have been

expected to intervene. I agree. That, therefore, means that the only issue I have to decide is whether or not HSBC should have done more to get Mr A's money back or should have reimbursed him. On this point, I also agree with our investigator. Mr A told HSBC that he'd paid a friend tips on online platform having been tricked into believing that she was in financial difficulties and that these tips were for content that wasn't supplied or delivered. His evidence doesn't, however, go further than that. I don't, therefore, think it was unreasonable for HSBC to say that there was no obvious chargeback reason it could have relied on. The fact that it raised a chargeback in error which was successful – because it wasn't disputed – doesn't in itself mean that HSBC could have raised a valid chargeback and this would have had a reasonable prospect of success. We'd only consider telling a business to refund a customer where, for example, the business hasn't raised a chargeback that had a reasonable prospect of success. In this case, that means I agree with our investigator that HSBC couldn't have been expected to do more to get Mr A's money back. For the same reasons, I don't agree that HSBC should have to reimburse Mr A under section 75. In short, I agree that this isn't a complaint that I can uphold. That doesn't mean I'm sorry to see Mr A has been taken advantage of. That is, however, between Mr A and his friend.

My final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 10 December 2024.

Nicolas Atkinson
Ombudsman