

The complaint

Ms M complains that HSBC UK Bank Plc will not refund money she says she lost to a scam.

Ms M is represented by a firm, but for ease I have only referred to Ms M in my decision.

What happened

The details of this complaint are well known to both parties so I won't repeat it all again here.

On 16 September 2024, Ms M made two payments totalling £10,700 to an account she held at another business I'll refer to as W.

Ms M said she became friendly with someone she was speaking to on social media. The scammer said they worked in the United Nations military based in Yemen. They later asked Ms M to look after documents for them which she agreed to. Ms M was asked to pay for customs and clearance to receive the documents. She said she was asked to make a second payment for insurance certificates. After making the payments, Ms M asked the scammer to talk via video chat, but it was a recording and it was not the same person she thought she was speaking to. It was at this point she realised it had been a scam. Ms M reported the matter to HSBC but it did not refund the money she lost or uphold her complaint.

Our Investigator didn't think the complaint should be upheld. He thought HSBC ought to have found the payments suspicious and intervened but He didn't think it would have been able to prevent the scam.

Ms M didn't accept our Investigator's opinion, as such the complaint has been passed to me for a final 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.

We have not been provided evidence of how the scam occurred, and even if I were to be satisfied the payments were made as a result of a scam, I do not find this is a complaint I would uphold for the following reasons:

- Taking into consideration the relevant regulatory rules and guidance, codes of practice and good industry practice, HSBC should have looked at the wider circumstances surrounding the transaction before making the payment and taken steps to keep its customer's accounts safe. Therefore, it ought to look out for payments which might indicate that its customer is at risk of financial harm due to fraud.
- Although the payments were sent to an account in Ms M's name, I think they ought to have appeared suspicious to HSBC. They were made on the same day, were not

typical of Ms M's account activity, and they were significantly higher value than previous debits from the account in the preceding 12 months.

- Considering this, I think HSBC ought to have stopped the payments and enquired further about their purpose. I think an appropriate intervention would have been a written warning relevant to the stated purpose.
- I've considered whether a warning would have stopped Ms M making the payments, I'm not persuaded it would. Ms M moved the funds on to a third party from her W account at this time W warned Ms M of a potential scam.
- The warning advised Ms M to "Stop – this sounds like a scam! Scammers often create fake online profiles to trick people into giving them money. It's hard to get your money back once you send it. So if you haven't met payee in real life, it's best to cancel this transfer." However, Ms M opted to proceed to make the payment.
- It follows that had HSBC provided a warning, I'm not persuaded Ms M would have taken heed of it. As such I can't fairly or reasonably hold the bank responsible for the loss.
- Ms M thinks HSBC ought to have phoned her to enquire about the payments, but I do not agree. Any intervention should be proportionate, and I don't think the payments appeared so high risk to warrant human intervention by a member of staff.
- As the payments were to an account in Ms M's name before she transferred the funds to the scammer, I find there were no prospects of HSBC recovering these funds.

I've thought carefully about all that happened, I understand that Ms M has lost a significant sum of money. However I can't fairly or reasonably tell HSBC to reimburse the loss.

My final decision

For the reasons outlined above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 8 October 2025.

Oluwatobi Balogun
Ombudsman