

The complaint

Mr M complains that HSBC UK Bank Plc hasn't protected him from losing money to a scam.

What happened

The background to this complaint is well known to both parties, so I won't repeat everything here. In brief summary, Mr M has explained that in October 2023 he made numerous payments totalling over £85,000 from his HSBC account as a result of what he thought was a legitimate job opportunity. Some of the payments were made to a cryptocurrency provider, others were made to accounts Mr M held with two third-party payment service providers I'll call "PSP R" and "PSP W".

Mr M subsequently realised he'd been scammed and got in touch with HSBC. Ultimately, HSBC didn't reimburse Mr M's lost funds, and Mr M referred his complaint about HSBC to us. As our Investigator couldn't resolve the matter informally, the case has been passed to me for a decision. I'm concurrently issuing final decisions on Mr M's separate but linked complaints about PSP R and PSP W.

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.

Having done so, I've decided to not uphold this complaint, as I agree with our Investigator's conclusions for the following reasons:

- I don't doubt Mr M has been the victim of a cruel scam here. He has my heartfelt sympathy. Ultimately, however, Mr M has suffered his losses because of fraudsters, and this doesn't automatically entitle him to a refund from HSBC. It would only be fair for me to tell HSBC to reimburse Mr M his loss (or part of it) if I thought HSBC reasonably ought to have prevented the payments (or some of them) in the first place, or HSBC unreasonably hindered recovery of the funds after the payments were made; and if I was satisfied, overall, this was a fair and reasonable outcome.
- As our Investigator explained, HSBC did intervene by declining one of Mr M's payments and talking to him about this on 19 October 2023 and warning him about fraud and scams. And unfortunately I think that even if HSBC's interventions had gone further than they did, such proportionate intervention most likely wouldn't have prevented Mr M's losses. I say this materially for the same reasons as our Investigator explained. On the first call on 19 October 2023, Mr M wasn't upfront with HSBC about the real reason for his payment instruction. And on the second call on 19 October 2023 Mr M asked HSBC to cancel the payment following advice he'd received from the fraudsters to do so (which can be seen from the evidence of messages Mr M exchanged with the scammers), such that the money could be sent through other payments. HSBC did provide fraud and scams warnings to Mr M but unfortunately it appears to me that Mr M was too much under the spell of the scam and the scammers to be transparent and upfront with HSBC about things.

- Despite this, Mr M unfortunately continued to make payments to the scam. And unfortunately, from the content of Mr M's calls with HSBC, the evidence of the messages exchanged between Mr M and the fraudsters, what Mr M has said about how he found the scam convincing, and the other evidence I've seen in Mr M's separate but linked complaints about PSP R and PSP W, I'm not persuaded that any proportionate level of intervention from HSBC in this case most likely would have resulted in Mr M ultimately not making payments for this amount to the fraudsters and unfortunately losing them. I've considered everything Mr M and his representative has said, including the representation that HSBC ought to have intervened further than it did for example by inviting Mr M into branch. However, whilst there are cases where proportionate and appropriate interventions from HSBC could prevent losses to fraud, I'm not persuaded this is most likely one of them. I haven't seen anything to make me think HSBC likely would have been able to change Mr M's mind about making these payments – I think instead he would have ultimately reverted to the fraudsters and still been persuaded to make payments of this nature regardless.
- I'm not persuaded there were any prospects of HSBC successfully recovering the funds given the payments were sent onto a crypto provider and Mr M's accounts with third-party payment service providers and sent onto the fraudsters from there.

Whilst Mr M has undoubtedly been the victim of a cruel scam, I can't fairly tell HSBC to reimburse him in circumstances where I'm not persuaded it reasonably ought to have been able to prevent Mr M's losses or to have recovered them.

My final decision

For the reasons explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 9 April 2025.

Neil Bridge
Ombudsman