

The complaint

Mr R complains HSBC UK Bank Plc (HSBC) didn't do enough to protect him when he fell victim to a scam.

What happened

Mr R said he was speaking with a friend who lived overseas who brought up that he had been investing for a while and made a significant amount of money. He said they discussed investing, and it was agreed his friend would invest on Mr R's behalf. Mr R has acknowledged he didn't ask many questions as he had complete trust in his friend.

Mr R went on to make three payments in quick succession to his friend, with a fourth payment the following day. He said it was agreed he'd receive his profits monthly. Mr R said he received screenshots showing his profits which encouraged him to invest further.

Below are the transactions I find to be relevant:

Payment	Date	Type of transaction	Payee	Amount
1	27 May 2019	Faster payment	Payee 1	£2,000
2	27 May 2019	Faster payment	Payee 1	£2,000
3	27 May 2019	Faster payment	Payee 1	£1,000
4	28 May 2019	Faster payment	Payee 1	£2,870*

**Mr R has received a full refund for payment 4 from HSBC as it said the payment was covered by the Contingent Reimbursement Model.*

Unhappy with HSBC's response, Mr R raised the matter with the Financial Ombudsman. One of our Investigators looked into the complaint and didn't uphold it. They said there was a lack of evidence to say how the alleged scam occurred but in any event, they didn't think HSBC needed to do anything differently as although the payments were made close together they thought they were of a low value and in-line with Mr R's typical account activity.

As an agreement could not be reached, the complaint has been passed to me for a final decision.

My provisional decision

I issued my provisional decision on 7 March 2025. I decided, provisionally, that I wasn't going to uphold Mr R's complaint. This is what I said.

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I'm sorry to disappoint Mr R but from what I've seen so far I'm not upholding his complaint. I'll explain why.

In line with the Payment Services Regulations 2017, consumers are generally liable for payments they authorise. HSBC is expected to process authorised payment instructions without undue delay. But they also have long-standing obligations to help protect customers from financial harm from fraud and scams. Those obligations are however predicated on there having been a fraud or scam. And so, it would only be reasonable for me to consider whether HSBC is responsible for the loss Mr R claims to have suffered if, indeed, he has been scammed. I've therefore considered whether Mr R was a victim of a scam.

It's important to see evidence that a customer has been scammed and that, for example, it isn't a case of a failed investment. In this case Mr R has told us he was the victim of an investment scam but hasn't been able to evidence the scam or how it unfolded. For example, he's not been able to provide any evidence of the conversations he had with the friend that allegedly scammed him. Mr R said he spoke with the alleged scammer using a social media messaging service and over the phone. And when asked to provide evidence of these conversations he told us he's looked for them but having changed his phone, he can't find the messages. Mr R said he was sent screenshots which showed the investment's profits which also haven't been provided. I've seen evidence that the payments were made as Mr R described, but I don't think this is enough to show that he has lost money to a scam.

This is not to say I don't believe Mr R, but I do think it's reasonable for him to provide some evidence to support his version of events about the circumstances of the scam. He has given reasons as to why he can't and I have sympathy with the situation he finds himself in however, in the absence of that evidence I can't say that it would be reasonable for HSBC to be held liable for any of the losses Mr R says he's suffered.

I'm sorry to hear of what's happened to Mr R and the impact it's had on him, and I understand why he feels the money should be refunded, but without evidence a scam took place I can't consider HSBC's actions with regard to the payments he made towards the investment.

Responses to my provisional decision

HSBC didn't respond with any further comments.

Mr R's professional representative replied to say they disagreed in part with my provisional decision. I've summarised the points they made below.

- Mr R had no further information to submit in support of his complaint.
- They accept the position outlined in my provisional decision regarding the evidence Mr R has been able to supply.
- However, they believe HSBC ought to have intervened on 27 May 2019 for multiple reasons including, the combined total of the payments, the time between the payments, the payments being made to a new payee and the account being drained.

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.

I've thought about what Mr R has said in response to my provisional decision, but it doesn't change my decision that I'm not upholding this complaint. I'll explain why.

Mr R said he doesn't have any further information to submit and accepts my position on the evidence he has been able to provide, which is that it isn't enough to persuade me Mr R lost

these funds to a scam. It's clear Mr R, and his representative feel strongly that HSBC ought to have done more here, but as I'm not satisfied Mr R lost this money as the result of a scam, as explained in my provisional decision, I can't say it would be reasonable to hold HSBC liable for the losses Mr R says he suffered.

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 R to accept or reject my decision before 21 April 2025.

Charlotte Mulvihill
Ombudsman