

The complaint

O, a limited company, has complained HSBC UK Bank plc won't refund £2,000 they lost as the result of a scam.

Mrs T is the director of O and represents them in their complaint.

What happened

In October 2023 Mrs T paid someone £2,000 from O's HSBC account for a work permit. She made a further payment of £2,000 from another bank account.

Mrs T became concerned about the time this was taking. The person she'd paid told her this was taking longer than expected and there were now revised regulations in place. The cost of assisting Mrs T had now increased to £6,500. Mrs T was unwilling to pay the additional cost and asked for a refund. £2,000 was refunded to Mrs T's other account.

Mrs T complained to HSBC as she didn't get the £2,000, she'd paid from her HSBC account. HSBC didn't believe O had been the victim of a scam so felt they were not required to make a refund.

Mrs T remained unhappy about this and brought O's complaint to the ombudsman service.

Our investigator felt there was insufficient evidence to show Mrs T had been the victim of a scam and therefore HSBC was not required to refund her. He also wouldn't have expected HSBC to identify the initial £2,000 as suspicious.

Still unhappy, Mrs T has asked an ombudsman to consider O's complaint further.

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 reached the same outcome as our investigator. I'll explain why.

Firstly, I need to confirm that this complaint is formally in the name of O, the limited company. This is whose account HSBC hold. Mrs T operates this account on O's behalf so I've referred to both O and Mrs T throughout my decision.

I've considered whether Mrs T was the victim of a scam. But I don't think so. I say this for a couple of reasons.

The evidence suggests that the individual Mrs T paid for a work permit is a legitimate company director. Our investigator provided the detail on this individual in his view. As this decision is public I don't consider it would be appropriate to provide more detail here, but I'm satisfied that Mrs T is aware of this already.

I've also seen that Mrs T received half of what she'd paid on O's behalf back from this

individual. I can't tell for sure but due to the time period that passed between Mrs T making the payment in October 2023 and March 2024 when she decided that she didn't want to proceed with the application, it is more than likely that at least some work will have been completed on O's behalf. It is feasible that any agreement between Mrs T and the individual Mrs T paid (which I've not seen) may have specified that withdrawing from the arrangement would have a cost to it.

If Mrs T had become involved in a scam, I wouldn't expect half of the payments to have been refunded. I also wouldn't expect to see a delay between the initial payments and the cost of this service increasing to be so prolonged.

I also note that Mrs T had previously claimed £1,500 back in March 2023 when she believed she'd been the victim of another visa and work permit scam. I'd therefore have expected Mrs T to be extra rigorous in checking that the person or company she was now dealing with was genuine.

So I'm not convinced that Mrs T was the victim of a scam and therefore under existing regulations and banking standards, there's no requirement on HSBC to refund O.

I've then considered whether HSBC did anything wrong in not identifying Mrs T's initial payment of £2,000 as potentially risky.

This account is in the name of a limited company so I wouldn't expect to see – based on the account history – intervention for payments like this one of £2,000.

So overall, I don't believe HSBC has done anything wrong and won't be asking them to refund O.

My final decision

For the reasons given, my final decision is not to uphold O's complaint against HSBC UK Bank plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask O to accept or reject my decision before 27 May 2025.

Sandra Quinn
Ombudsman