

## **The complaint**

Mrs H complains that HSBC UK Bank Plc failed to advise her properly in dealing with an international payment. She is represented by her son, Mr H

## **What happened**

On 14 November 2024, Mrs H says that she attended a branch of HSBC, in order to transfer £1,500 into her daughter's overseas bank account. She says she was asked to log into her account and provided the necessary code for her daughter's bank account. The transaction was dealt with through an intermediary HSBC in the country concerned.

The payment didn't arrive in Mrs H's daughter's account, so she visited the branch, where she says she was assured that it would try to recall the payment. She kept checking for progress on this, and in the meantime her daughter raised a complaint with her own bank. That bank confirmed that the payment had been received into an account belonging to a third party with a code that matched that quoted by Mrs H. It wouldn't give out any other information.

HSBC did attempt to recall the payment several times though, as far as I can see, not until late January/early February 2025. The only response it got from the intermediary bank was that the matter was receiving urgent attention. It said that its record showed that the payment was made online rather than in branch, which meant that Mrs H would have entered the payee's account code. It agreed that there was poor customer service and delays in its process but said it wasn't responsible for the payment going astray. It paid Mrs H £500 compensation.

On referral to the Financial Ombudsman Service, our Investigator said that she didn't think that HSBC had made a mistake. And for the distress and inconvenience caused by its poor service that £500 was an appropriate payment.

On behalf of Mrs H, Mr H didn't agree as he felt that HSBC was responsible for the wrong code being entered and for the payment not being received in the right account.

The matter has been passed to me for an Ombudsman's consideration.

## **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.

Where the evidence is incomplete or contradictory, as some of it is here, I have to make my decision based on what I think is most likely to have happened. But it may be that I can't make a finding and if this is the case I shall say so. I have a duty to be impartial so I have to assess both parties' evidence fairly.

It is clear in this case that the payment went out of HSBC in this country and then arrived at the intermediary bank where it was then transferred to Mrs H's daughter's bank but not into

her bank account. Rather, because a wrong code was entered, it ended up in the account of a third party. If HSBC has any responsibility for this error it depends on whether, as Mrs H has said, the payment was made with the assistance of an adviser in branch.

HSBC says its records show that the payment made was an online payment, as the code generated specifically referred to this. So the payee's bank account code would have been entered by Mrs H. A different process would take place in branch where the adviser would enter the information and then ask the customer to check it. Mr H initially advised us that Mrs H had made the payment in branch, but he did tell us that she had subsequently told him she had made the payment online. He then said she was adamant that it had been done in branch.

I've seen no notes of any branch visit on 14 November, though that doesn't mean it didn't take place. From HSBC's transaction records, it says that the code shown there relates to an online payment. And also in light of Mrs H telling her son that she did make the payment online, and then reverting to saying she had made it in branch, on balance I think it's likely that she did make the payment online.

This means that I don't think HSBC was responsible for the error with the account number. Whilst a domestic transfer would match up the account number with the name, as I understand it, this is not done by this receiving bank.

I'm aware also that the intermediary bank in this case was an HSBC Bank. But I should clarify, that that particular HSBC is a separate legal entity to HSBC UK, even if they're part of the same global banking group. I only have the power to consider the actions or omissions of HSBC UK in dealing with Mrs H's transfer.

Turning now to the customer service provided to Mrs H, I note that she first reported the money not arriving on 28 November. I can see that HSBC then raised the query with the intermediary bank about the payment but it didn't in fact at that stage ask to recall it. The said bank replied that the funds had been credited to the receiving bank on 15 November. I understand Mrs H then visited the branch or emailed it several times and says she was assured that a recall had been requested. I can't see any evidence that this was done then - or that she was told that payment had been received by the receiving bank.

Mrs H's daughter found out what had happened to the money on or about 17 January 2025. On 24 January HSBC did request a recall of the money. It repeated that request three further times up until the 5 February. Unfortunately the only response it received from the intermediary bank was that the matter was receiving its urgent attention.

Further, when HSBC responded to Mrs H's complaint, it referred to the wrong branch. I understand this was purely the adviser mishearing the name when talking to Mrs H on the phone. Although annoying, I don't think it made any difference to the handling of the complaint.

So I think HSBC clearly delayed in taking any action and failed to keep Mrs H properly informed. This caused her anxiety and distress. But I have to consider what would be likely to have happened had HSBC tried to recall the payment earlier. Unfortunately as the payment had already reached a third party account before the recall was requested, I don't think that it would have been any more successful. I fully appreciate that the third party has no right to the money but recalling it is out of HSBC's hands.

I think that the compensation paid, of £500 was fair and reasonable to account for the distress and inconvenience caused to Mrs H by HSBC's delays and the failure to keep her informed. But as I don't think that HSBC was responsible for the money going into the wrong

account, I won't be requiring it to take any other action.

**My final decision**

As HSBC has in my view paid reasonable compensation, I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs H to accept or reject my decision before 18 July 2025.

Ray Lawley  
**Ombudsman**