

The complaint

Miss B complains that HSBC UK Bank Plc (HSBC) is refusing to refund her the amount she lost as the result of a scam.

Miss B has previously been represented by a third party. To keep things simple, I will refer to Miss B throughout my decision.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Miss B came across an investment opportunity online with a business I will call "X". Interested in the opportunity Miss B completed an online form and was contacted by X who talked her through the investment process and an account with X was setup.

As part of the investment process Miss B was required to download remote access software.

After carrying out online research herself Miss B started to make payments. However, when Miss B tried to make a withdrawal from the investment she was advised she would have to make further payments first and realised she had fallen victim to a scam.

Miss B has disputed the following payments made from her HSBC account:

Payment	Date	Payee	Payment Method	Amount
1	14 August 2024	Miss B	Transfer	£4,900.00
2	15 August 2024	Miss B	Transfer	£10,000.00
3	16 August 2024	Miss B	Transfer	£14,900.00
4	19 August 2024	Miss B	Transfer	£19,500.00
5	4 September 2024	Miss B	Transfer	£19,500.00
6	5 September 2024	Miss B	Transfer	£19,700.00
7	9 September 2024	Miss B	Transfer	£24,500.00
8	10 September 2024	Miss B	Transfer	£19,000.00
9	19 September 2024	Miss B	Transfer	£24,000.00
10	20 September 2024	Miss B	Transfer	£21,500.00
11	24 September 2024	Miss B	Transfer	£5,300.00

Our Investigator considered Miss B's complaint and didn't think it should be upheld. Miss B disagreed, so this complaint has been passed to me to decide.

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.

Recovering the payments Miss B made

Miss B made payments into the scam via transfer. But the payments from Miss B's HSBC account didn't go directly to the scammer, instead they were sent to another account in Miss B's name that she held with another provider, and it took further steps for those funds to end up in the hands of the scammer.

As the disputed payments were sent to an account in Miss B's name, and she remained in control of that account once those funds were received, any funds that might have remained in that account would not require recovering. So, I don't think HSBC had any reasonable options available to it to recover the payments Miss B has disputed.

Should HSBC have reasonably prevented the payments Miss B made?

It has been accepted that Miss B authorised the payments that were made from her account with HSBC, albeit on X's instruction. So, the starting point here is that Miss B is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether HSBC should have been aware of the scam and intervened when Miss B made the disputed payments. And if it had Intervened, would it have been able to prevent the scam taking place.

I can see that a call did take place when Miss B attempted payment 3. During this call Miss B confirmed she was making a payment to an account in her name with another provider as she was travelling abroad and would be using the card associated with that account. She was using her other account as it did not charge fees when used abroad. Ms B also confirmed that no one else had asked her to make the payment.

Miss B had not been honest during this call. The funds were used in relation to what she thought was a genuine investment and were not used abroad. The request for the payment had also come from X.

Miss B also took out several loans to fund the disputed payments, Miss B has confirmed she gave inaccurate reasons for the loans when making the applications such as "home improvements" as directed by X.

In addition to the above Miss B made payments in relation to the scam from another account she held elsewhere. The other provider also intervened on several occasions and Miss B confirmed:

- She was not being guided
- She was completing the transaction herself
- She was making a payment to another of her accounts at another bank
- She had not been asked to install any software
- No one had reached out to her online encouraging her to invest
- She had not been asked to lie
- She would not be sending funds to another person or wallet

Miss B also received several warnings from her other provider that she may be falling victim to a scam, but she continued to make the payments.

I think HSBC could have intervened further than it did when Miss B attempted the larger payments in relation to the scam. The values of the payments were significant and although they were being sent to another of Miss B's accounts, they still presented a risk of financial harm.

But it's also clear that Miss B was willing to give incorrect information to her account providers when making the payments and when taking loans.

Giving incorrect information would and did make it extremely difficult for HSBC to uncover the scam that was taking place. I don't have enough to say that Miss B would have provided any more honest answers to HSBC's questions had it intervened further.

Miss B has told us that she was vulnerable at the time the payments were made and has continued to receive communication around the scam. But with the information available I don't think HSBC missed an opportunity to prevent the scam and therefore it is not responsible for Miss B's loss.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 18 November 2025.

Terry Woodham
Ombudsman