

## The complaint

Mr and Mrs S have complained HSBC UK Bank plc haven't given them sufficient compensation following a fraud incident.

## What happened

Mr and Mrs S went into their HSBC branch in August 2024. They immediately realised £900 had been withdrawn from their joint savings account. They didn't understand how this could have happened.

HSBC carried out an investigation and was able to confirm that this money had been withdrawn in person in another branch. They were also able to share a copy of the withdrawal slip with Mr and Mrs S who could see that this wasn't Mr S's actual signature. They also realised Mr S's address had been changed without Mr S's consent. This meant that copies of Mr S's statements for all his HSBC accounts (including a joint current account) were sent to a third party.

HSBC apologised and could appreciate why Mr and Mrs S wished to transfer their savings. They provided Mr and Mrs S with a cheque so that they could open an account elsewhere. Unfortunately, this cheque wasn't completed properly. Mr and Mrs S were unable to make this deposit as they initially planned.

HSBC gave Mrs S some flowers and offered them £100 for the problems they'd had.

Mr and Mrs S felt this was inadequate and didn't account for the distress this had all caused. They brought their complaint to the ombudsman service.

Our investigator felt that more compensation should be payable in line with our guidelines. She asked HSBC to pay a further £300.

HSBC accepted this but Mr and Mrs S felt this didn't take sufficient account of their distress and the impact on their family. They've asked an ombudsman to consider their complaint.

## 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, there's no dispute Mr and Mrs S were the victims of fraud. £900 was withdrawn from their savings account at another branch. It's clear from the investigation that HSBC conducted into what happened, that their branch processes failed. A check that should normally be conducted wasn't in this case. As HSBC has stated *"its possible the fraud could have been avoided, had the branch have (sic) been more observant"*.

There was in fact a signature check carried out on the withdrawal slip. Some differences between the withdrawal slip signature and the one that HSBC held for Mr S were noted. The

signature was accepted. It's clear that this signature wasn't Mr S's but as signatures can be difficult to check adequately, I'm not massively surprised by this and don't believe – as Mr and Mrs S may argue – that HSBC weren't competent.

I've also considered what happened after this initial error. I can appreciate why Mr and Mrs S feel *"at every step of the process, HSBC took things from bad to worse"*. They must have been shocked when they couldn't deposit the cheque as they wished into an alternative savings account as this hadn't been properly completed.

That said, HSBC hasn't hidden that they didn't do what they should have done. I don't believe, as Mr and Mrs S do, that this shows institutional failings within HSBC. From their evidence, I can see that HSBC processes weren't followed and if they had been, this may have stopped the fraud, which includes Mr S's address being changed, from happening. It's worth noting that this incident stems from an unknown third-party committing fraud.

I can see that Mr and Mrs S saved a considerable amount of money with HSBC so appreciate how distressed they will have been feeling that their finances were vulnerable.

### **Putting things right**

Having taken all this into consideration, I am confirming that a total of £400 compensation is fair and reasonable.

Our investigator explained what our guidelines say about monetary awards to be made to customers. The key aspect for me is that although the mistake caused considerable distress, which did require Mr and Mrs S to go to their branch more than twice, I don't believe the impact should be regarded as long-lasting. This isn't to diminish the valid concerns Mr and Mrs S must have had but within a fortnight of the initial fraud, Mr and Mrs S had managed to move their money to another financial institution.

Mr and Mrs S have confirmed that this issue also had an impact on their daughters who had to take time off work to support their parents. I appreciate this but our guidelines limit our ability to offer compensation to customers rather than others who may have been impacted.

### **My final decision**

For the reasons given, my final decision is to instruct HSBC UK Bank plc to pay Mr and Mrs S a total of £400 for the trouble caused after a fraud incident.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S and Mrs S to accept or reject my decision before 16 February 2026.

Sandra Quinn  
**Ombudsman**