

The complaint

Mrs D has complained about how HSBC UK Bank Plc handled an international payment she attempted to make from her account.

What happened

On 27 May 2025, Mrs D made an international payment from her HSBC account, to an account in Spain. However, on 30 May 2025, this was returned to her HSBC account – but was now around £240 less than she'd transferred. She wants HSBC to make up this shortfall.

HSBC explained that when an international payment is returned, the exchange rate at the time will apply – as per the terms and conditions of the account. And, it was a change in exchange rates that led to the lesser amount being returned.

Mrs D disagrees, as she doesn't think the evidence shows the money ever having left HSBC.

One of our investigators looked into what had happened. She saw a copy of system screenshots, showing the payment leaving the account on 27 May 2025, then returning to the account on 30 May 2025, with the return code showing below. As the payment was sent directly to the other bank, it wouldn't show up on 'tracker' apps – which typically show payments that pass through intermediaries. So, she was satisfied that the payment was sent from HSBC to the receiving bank, and then returned to HSBC from the receiving bank.

Mrs D asked that the complaint be passed to an ombudsman. She didn't think the screenshots were persuasive. She feels that in the 'return of funds' shot, the originating sort code is HSBC's, so she doesn't feel the funds ever left HSBC. She also feels the return code is unclear and that if the funds left HSBC, it must be able to fully evidence this.

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'm not upholding it. I can understand Mrs D's frustration, as £240 is a considerable sum.

But, on balance, I'm satisfied by HSBC's explanation. The screenshots show a return code, which can mean an unspecified reason. But that doesn't mean the funds didn't leave HSBC. I have no reason to doubt the evidence HSBC has provided that the money was 'returned'. And, I'm satisfied by HSBC's explanation that a tracking app wouldn't have shown a payment made directly, without an intermediary.

As I'm satisfied, on balance, that the funds left HSBC but were returned, that means it's entitled to apply the exchange rate at that time – as per the account terms and conditions. Unfortunately, this meant the sum returned was lower than Mrs D had transferred. Whilst I

understand her concern about this, I don't feel HSBC behaved unfairly, as it acted in line with the account terms.

My final decision

For the reasons given above, it's my final decision not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 3 November 2025.

Elsbeth Wood
Ombudsman