

The complaint

Miss A has complained HSBC UK Bank plc did nothing to intervene and stop payments she made which turned out to be part of a scam.

What happened

In 2025 Miss A got a message from a recruiter by text. She'd recently been looking for employment to supplement her current income during her placement year for her university course and had sent her CV out widely. Miss A was offered a job which entailed her carrying out numerous daily tasks for which she'd receive a commission, depending on the number of consecutive days worked.

Miss A received small payments which she understood was part of the initial success in her role. She was then informed she needed to make a substantial payment as part of the onboarding for her employment. Miss A made five large payments to a newly-set up account at a crypto exchange (who I'll call K). This totalled £9,750.

This turned out to be a scam. Miss A quickly contacted HSBC and asked them to refund her. HSBC contacted K to see whether any funds remained from Miss A's payments. No money remained.

HSBC told Miss A they had no liability as they'd followed her instructions and paid money into another account in her name.

Miss A brought her complaint to the ombudsman service.

Our investigator confirmed she felt HSBC should have done more to notice that Miss A's payments could be the result of a scam. She considered that at the time Miss A made the second payment of £2,500; HSBC should have intervened. Even a basic warning could have been effective. As Miss A's actions had contributed to her situation, our investigator asked HSBC to refund half of Miss A's losses from the second large payment.

HSBC accepted this outcome.

Miss A has appealed as she believes:

- she was new to crypto; and
- after reviewing existing ombudsman decisions, she felt HSBC should have identified the first £2,500 as unusual;
- she had undertaken relevant checks to ensure she wasn't the victim of a scam.

She's asked an ombudsman to review her 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.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

Miss A was scammed and has lost nearly £10,000. She's an international student so I appreciate the emotional impact this must have had on her. She has my sympathy about what she has gone through.

I won't be going through all the detail of what happened as most of this isn't in dispute. I can also see our investigator wrote a detailed view, dated 11 July 2025, which has been mostly accepted by both parties. I shall therefore be concentrating my decision on those issues Miss A continues to dispute.

There's no dispute that Miss A made and authorised eight online payments totalling £9,750 from her HSBC account to an account in her name with K. The funds, within K, were then exchanged for crypto and transferred to a wallet under the control of the scammers.

I'm therefore satisfied the disputed transactions were authorised under the Payment Services Regulations 2017

Like our investigator, I'm also satisfied that HSBC ought to have recognised that these payments carried a heightened risk of financial harm from fraud. I say this because:

- there's no history of similar payment behaviour from reviewing Miss A's account with HSBC. This was mostly used for general everyday domestic spending.
- HSBC will have been able to identify Miss A had opened an account with K and initially made three low-value transactions of £10, £30 and £10. Then her transactions clearly rack up in frequency and value. I don't believe the first payment of £2,500 would on its own have necessitated intervention, as this isn't excessive in value, based on the amount of money in Miss A's account. However, at the time of the second payment, three minutes later, I'd have expected HSBC to intervene.

It almost doesn't matter what type of intervention that was as HSBC has accepted this outcome and has agreed to refund half of the amount Miss A then sent to her account with K. I will just add that I believe any intervention would have caused Miss A to reflect on her actions. HSBC will most likely have raised issues related to why individuals open accounts with K and one of those known reasons would have included well-known job scams.

I have considered whether Miss A should continue to bear half of the costs of her financial loss because the nature of her actions has contributed to what happened. I find it's difficult to argue this shouldn't be the case. I know Miss A has eloquently argued her case that she did undertake the checks she felt were necessary into the recruiters themselves. She also doesn't believe she would have known that the payments she had to make as part of the job process were suspicious.

I disagree. Miss A is an international student and is clearly articulate, intelligent and aware of the different social media tools. I find it odd therefore that she didn't question why paying money into a crypto account wasn't unusual. At the time this was happening, Miss A was in her placement year in a financial company and was receiving a salary direct into her HSBC account. So she knew what the norm was for employment, and she would have had

individuals she could ask for advice.

That said, I also disagree with HSBC who believe Miss A was grossly negligent. That's how they referred to her in their notes of what happened. HSBC will know when considering APP scams, as this was, we talk about contributory negligence.

Putting things right

Having considered Miss A's further appeals and testimony, I believe it is fair and reasonable to ask HSBC to pay half of Miss A's losses from the second payment of £2,500 onwards. This amounts to £3,600. They will need to add 8% simple interest from the date the payments were made.

My final decision

For the reasons given, my final decision is to instruct HSBC UK Bank plc to:

- Refund £3,600 to Miss A; and
- Add 8% simple interest from 4 May 2025 to the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 25 September 2025.

Sandra Quinn
Ombudsman