

The complaint

Mr A complains that HSBC UK Bank Plc ('HSBC') won't refund the money he says was lost as the result of a scam.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my decision.

In summary, Mr A signed up for a course with a company I'll refer to as H. Mr A says he was promised a job at the completion of the course. He made five payments from his HSBC account between February 2024 and July 2024, which totalled £1,695.

When Mr A wasn't offered a job, he raised a fraud claim with HSBC. HSBC declined to refund Mr A, saying he has a civil dispute with H.

Mr A wasn't happy with HSBC's response, so he brought a complaint to our service.

An investigator looked into his complaint but didn't uphold it. The investigator wasn't satisfied that Mr A had evidenced he was the victim of a scam, without a contract or evidence of what was agreed with H. The investigator didn't think HSBC should've intervened when the payments were made, so wasn't satisfied they could've prevented Mr A's loss.

Mr A disagreed with the investigator's opinion and provided a link to H's website, which he said supports his claim.

The investigator reviewed the information on the link, but told Mr A that it didn't change the outcome. The investigator said the website referred to work experience not a permanent role.

Mr A asked for an ombudsman to review his case.

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.

In broad terms, the starting position at law is that HSBC is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account. It's not in dispute that Mr A authorised these payments, so the starting position is that HSBC isn't liable for his loss.

Having carefully reviewed the evidence, I've reached the same answer as the investigator and for the same reasons. I'll explain why.

Mr A paid for a training course, which he completed. I'm not satisfied that Mr A's evidence shows that H promised a permanent role at the completion of the course. The link to H's website, the letter regarding his completion of the course and the link to an online article suggest that Mr A may've been misled. But I'm not satisfied that it proves Mr A was the victim of a scam. Even if we're satisfied that something has gone wrong, that doesn't necessarily mean that Mr A is entitled to a refund. I'll explain why.

For the card payments Mr A made, a chargeback wouldn't have had a reasonable prospect of success. I say this as Mr A received the course he paid for.

In relation to the faster payments, the Contingent Reimbursement Model Code (CRM Code) wouldn't apply as it doesn't cover civil disputes. For example, where a customer has paid a legitimate supplier for goods, services or digital content but has not received them, they are defective in some way, or the customer is otherwise dissatisfied with the supplier. So, Mr A wouldn't be entitled to a refund under the CRM Code.

There are some situations where we believe that businesses, taking into account relevant rules, codes and best practice standards, shouldn't have taken their customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

HSBC also has a duty to exercise reasonable skill and care, pay due regard to the interest of its customers and to follow good industry practice to keep customer's accounts safe.

However, I'm not satisfied that HSBC should've identified a potential risk of financial harm from fraud. I say this because the payments Mr A made were relatively low in value, with the highest payment being £495. Also, the payments were spread out over 5 months, with one payment made each month. I appreciate that this is a lot of money for Mr A, but the payments weren't unusual or out of character compared to his usual account activity. So, I can't fairly say HSBC acted unreasonably in following his payment instructions and I wouldn't have expected them to intervene when the payments were made.

I'm really sorry that Mr A is unhappy with H and feels he has been the victim of a scam. But I'm not satisfied that I can fairly ask HSBC to refund him.

My final decision

My final decision is that I don't uphold this complaint against HSBC UK Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 3 March 2026.

Lisa Lowe
Ombudsman