

The complaint

Miss M complains that HSBC UK Bank Plc (HSBC) won't refund money she lost when she was the victim of a scam.

What happened

The background to this complaint is well known to both parties, so I won't repeat everything here. In summary, Miss M fell victim to a task-based job scam in which she was required to complete tasks in exchange for commission.

A recruiter (who I will refer to as "the scammer") reached out to Miss M to share a job role she might have been interested in. The scammer made Miss M believe the role was a legitimate opportunity. She was told she needed to make payments as part of the role. As a result, Miss M sent payments from her HSBC account in April 2025. She sent these payments through different accounts and eventually transferred the funds into the control of the scammer. She has advised she lost around £10,000 as a result of the scam.

Miss M raised a complaint with HSBC. It didn't think it had done anything wrong by allowing the payments to go through. So, Miss M brought her complaint to our service.

Our Investigator looked into the complaint but didn't uphold it. Our Investigator didn't think the payments Miss M made were unusual and so he didn't feel HSBC should have identified a scam risk. He also explained that HSBC had discussed some of the payments with Miss M and provided warnings before releasing them, but she provided incorrect information when asked about them which prevented HSBC from identifying the scam.

Miss M didn't agree, so her complaint has been passed to me for review and a decision.

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 come to the same outcome as the Investigator for largely the same reasons. I'll explain why.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I have not mentioned, it isn't because I have ignored it. I haven't. I'm satisfied that I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

In broad terms, the starting position in law is that a bank is expected to process payments and withdrawals that a customer authorises it to make. It isn't disputed that Miss M knowingly made the payments from her account – albeit under the direction of the scammer

– and so, I'm satisfied she authorised them. Therefore, under the Payment Services Regulations 2017 and the terms of her account, HSBC is expected to process Miss M's payments, and she is presumed liable for the loss in the first instance.

But in some situations, it might be appropriate for HSBC to take a closer look at the circumstances of the payments – for example, if it ought to be alert to a fraud risk, because the transaction is unusual, or looks out of character or suspicious. And if so, it should intervene, for example, by contacting the customer directly, before releasing the payments. This is to help protect customers from the possibility of financial harm from fraud. But I'd expect any intervention to be proportionate to the circumstances of the payment.

I have kept in mind that banks such as HSBC process high volumes of transactions each day, and that there is a balance to be found between allowing customers to be able to use their accounts and questioning transactions to confirm they are legitimate.

The first two payments that left Miss M's account were relatively modest so they were unlikely to suggest to HSBC that Miss M was at a heightened risk of financial harm from fraud such that it should have intervened.

However, HSBC recognised that some of the later payments Miss M was making could be high risk and provided her with advice and warnings to try and protect her from being scammed. It spoke to her twice during the scam period when she was attempting to make payments for £1,197 and £2,500. I've highlighted some of the key messages shared in the calls below.

- HSBC asked her if she had been advised to lie to it. Miss M confirmed that she hadn't.
- It questioned if she had been asked to make the payments or told to lie about the purpose of them. She confirmed she hadn't.
- HSBC queried why she was sending the payments and the purpose of them. She advised they were for herself.
- She advised that she had understood the warnings about fraud and scams that HSBC had shared with her.
- HSBC queried why she was making the payments. In one of the calls she advised it was for cryptocurrency and that her partner was also doing it. She didn't have any concerns and that it was her decision to make the payments.
- HSBC highlighted the risks of cryptocurrency investments and that customers can lose control of their funds to scammers.
- Miss M confirmed she had opened the cryptocurrency account and that she had full control over the account.
- HSBC asked if she had been able to withdraw any profits. It also explained that scammers have been charging fees when customers have attempted to withdraw their funds and told they could lose everything if these weren't paid. It highlighted this was highly suspicious behaviour.
- HSBC queried funds that had been paid into her account. Miss M advised her sister had borrowed funds from her in the past and that she was paying her back.

I think it would have been difficult for HSBC to provide Miss M with further advice on how to protect herself in these calls based on the information she had given it. This is because Miss M didn't highlight that the payments she was making were for a job where someone had reached out to her directly about the role or that she was being guided by the scammers on where to send the payments. If Miss M had advised that she was contacted by the scammer on a messaging site and that she was required to send funds to them as part of her job, which would be moving out of her control, then I think HSBC would have identified this as a

red flag and taken further steps to protect her. Unfortunately, HSBC were prevented from knowing the true purpose of the payments. And so, I don't think it acted unreasonably by providing the scam warnings it did.

Miss M has highlighted the payments were unusual when compared to her usual account activity and that she would have expected HSBC to have done more when the payments were made. A customer making some larger payments, compared to their usual spending is not uncommon, so I wouldn't have expected HSBC to intervene or provide her with any warnings for this reason alone. I also wouldn't expect HSBC to intervene on every payment a customer makes. And, as explained above, HSBC needs to strike a balance between allowing customers to use their accounts without unduly hindering legitimate transactions. The payments were also being sent to legitimate accounts, most of which were in her own name, therefore, I don't think it was unreasonable for HSBC to process them in-line with Miss M's instructions.

It's clear that Miss M trusted what she was being told by the scammer about the job role and that she was willing to provide inaccurate information in order to get the payments processed. So, I don't think she would have revealed much about the circumstances around the payments, if HSBC had probed further. Unfortunately, I think Miss M was sadly very much under the spell of the scammer. She was sending funds through various accounts over to the scammer. She had also borrowed large funds from her sister believing this was a legitimate opportunity. So, on balance if HSBC had intervened again or probed further at the time, I believe that Miss M would have continued answering the questions in a way which allowed the payments to go through. In those circumstances I don't think it would be fair to ask HSBC to do anything further.

I understand that Miss M was experiencing some difficult circumstances at the time she fell victim to the scam and that this impacted her decision making. I'd like to thank her for sharing this information with us. But I've not seen anything to show that HSBC was aware, or ought to have been aware, of this information at the time of the disputed payments, so I'm not persuaded it should reasonably have done anything differently. And as explained above, it spoke to Miss M twice and highlighted its concerns on the payments. And I cannot reasonably ignore the responses Miss M provided when it questioned her about them. Having listened to the calls, I also don't think there was anything which would have suggested that HSBC ought to take additional steps, beyond what it did before proceeding with the payments.

I appreciate that dealing with the scam has been difficult and that Miss M wanted things to move quickly. She's also suggested that HSBC haven't treated her fairly. But I can't see any reason which would suggest compensation is warranted in the circumstances of the complaint as I have not found anything to suggest HSBC have acted incorrectly. I also don't think there were any unreasonable delays in dealing with her claim.

I've also considered whether, once alerted to the scam, HSBC could reasonably have done anything else to recover Miss M's losses. Miss M has advised the funds were moved through various accounts in her name, such as a money transfer service and a cryptocurrency provider and then moved on to the scammer, so I don't think there was any reasonable prospect of HSBC recovering her funds.

To summarise, I'm sorry Miss M was the victim of a cruel scam. But I don't think HSBC can fairly be held responsible for her loss. And so, I can't tell it to refund Miss M's money in this case.

My final decision

My final decision is that I'm not upholding Miss M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 12 May 2026.

Aleya Khanom
Ombudsman