

The complaint

Miss H complains that HSBC UK Bank PLC (HSBC) declined to reimburse the total amount of £1447.39 that she lost to an automated push payment (APP) scam. HSBC has reimbursed £723.70 of the total Miss H paid as part of the scam, as a gesture of goodwill.

I was sorry to hear of Miss H's experience and that she has needed to contact us under these circumstances.

What happened

Miss H made an online enquiry about flights with what she thought was a legitimate travel company. This was in fact a scam.

On 23 and 25 July 2025 Miss H was contacted by the scammers, who provided information, such as the Air Travel Organiser's Licence (ATOL) number, that reassured Miss H they were a legitimate travel company and that her transactions were also genuine. Miss H made three payments to the scammers for £808 on 23 July and for £186 and £453.39 on 25 July 2025. A total of £1447.39.

It was only after Miss H directly contacted the airline she thought she'd booked tickets with, that she found there were no tickets in her name and she realised she had been the victim of a scam. She contacted HSBC on 27 July 2025 to report it.

On 27 August 2025 HSBC wrote to Miss H to advise they were unable to reimburse the money that she had paid.

Miss H telephoned HSBC on 11 September 2025 to raise a formal complaint, as she was unhappy with HSBC's response to her claim for reimbursement.

HSBC replied to Miss H's complaint on 11 September 2025 and explained that they could not process a chargeback claim with the merchant, as they had seen no evidence that the merchant hadn't provided the services they'd been requested to, despite that not being the service Miss H was expecting. They explained that they would reimburse her £723.70 as a gesture of goodwill.

Miss H was unhappy with HSBC's response to her complaint and she contacted our service.

The investigator considered evidence provided by Miss H and HSBC and reached the view that HSBC had acted fairly and reasonably in its dealings with Miss H.

Miss H disagreed with the investigator's view and asked for an Ombudsman to consider her complaint.

As such this case has come to me to make a final 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.

I've decided not to uphold Miss H's complaint.

I understand falling victim to a scam or fraud of any kind is a distressing experience and I have taken into consideration Miss H's explanations and evidence around what happened and the significant negative impact these events have had on her, particularly as the loss she has suffered has affected her wellbeing, impacted her marriage and caused her financial difficulty. I am sorry Miss H has needed to contact us in these circumstances.

In broad terms, the starting position at law is that a bank such as 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.

But, taking into account relevant law, regulators' rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that HSBC should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud. This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment;

In assessing whether this particular payment was authorised, I have considered the evidence that the transactions were authenticated using Miss H's debit card details and that she authenticated them through her HSBC banking app. A payment can only be considered authorised if the customer consented to it.

Importantly, the concept of consent in this context is not equivalent to informed consent. The test is whether the customer took an action that objectively indicated agreement to the payment being made. In this case, Miss H did approve the transactions.

I understand Miss H approved the transaction under a misapprehension, as she believed she was paying for legitimate airline tickets. Despite that, she knew that funds would be transferred from her account, and she confirmed that instruction to the bank.

I acknowledge that Miss H was misled. However, the legal test for authorisation is objective and consent isn't invalidated simply because it was obtained through deception by a third party. On that basis, I am satisfied that the transaction was authorised within the meaning of the relevant regulations, and Miss H is therefore presumed liable for the payments in the first instance.

Despite that, as I've set out above, HSBC was still expected to be on the lookout for account activity that was out of character or unusual to the extent that it might have indicated fraud risk. I have considered whether the transactions should have caused HSBC some concern that Miss H might be at risk of harm.

Having reviewed the way Miss H used her account in the 12 months prior to the scam I have seen the payments she made on 23 and 25 July 2025 were not out of character with how

she regularly used her account. She often made debit card transactions and had made several that were similar in size to the payments in dispute. I don't consider any of the transactions were of such a high value that I would have expected HSBC to have taken specific action to intervene, although I do appreciate the impact on Miss H as a result of the loss of her money. I have seen HSBC reimbursed £723.70 as a gesture of goodwill.

As such, I think HSBC acted fairly and reasonably in their interactions with Miss H.

As Miss H raised a dispute on a debit card transaction, I would expect HSBC to consider making a chargeback claim to allow Miss H to recover money she paid for a service she didn't receive.

HSBC considered Miss H's chargeback request but declined to make one. They explained they didn't think a chargeback would be successful, as there is no suggestion the merchant hasn't provided the services they were requested to.

Banks like HSBC don't have to raise chargeback claims if they think there is little chance of them succeeding. In this case, as the payments Miss H made went to legitimate travel firms, I consider that HSBC acted reasonably in deciding not to raise a chargeback claim based on it being unlikely to succeed.

Given everything I have considered above, I propose not to uphold the complaint, as I have found no fault in HSBC's actions

.My final decision

My final decision is that I don't uphold the complaint.

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

Matthew Warrington
Ombudsman