

The complaint

Mr D complains that HSBC UK Bank Plc won't refund his losses from a scam.

What happened

Mr D was the victim of a romance scam, where he was tricked into making a card payment of around £4,000 to a money remittance service, which was ultimately sent on to fraudsters.

Our investigator considered that HSBC acted fairly in not refunding the payment. They didn't think HSBC ought to have stepped in before the payment was made. They also noted that even if HSBC had intervened, Mr D's dealings with his other bank suggest that a warning would not have changed his mind.

Mr D's representatives disagreed and asked for an ombudsman to review the matter. They considered the payment to be unusual given its value and how Mr D typically used his account, and they believed that an intervention with probing questions would have prevented his losses. They added that his other bank declining the payment suggests HSBC ought to have stepped in.

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 for these reasons:

- I'm sorry to hear Mr D was a victim of such a cruel scam at a vulnerable time in his life. While I accept he was tricked, this does not mean HSBC must refund him. For card payments like the one in dispute, the starting point in law is that he is responsible for the payment he made, even if he was deceived.
- But this isn't the end of the matter. HSBC is aware, taking longstanding regulatory expectations and requirements into account, as well as what I consider to be good industry practice at the time, that it should have been on the lookout for potential fraud and may have needed to carry out additional checks before processing payments in certain circumstances.
- I recognise this was a significant personal loss for him, and that he did not regularly make payments of this size. But I also need to be mindful of the volume of similar sized payments a bank like HSBC processes, and the impracticality of intervening on each one.
- I'm also conscious that there are many legitimate reasons someone might make a larger one-off payment to a money remittance service. In fact, that is typically how such services are used.
- Taking this into account, and bearing in mind that HSBC must balance protecting him

from fraud with carrying out the payments he instructs, I consider it reasonable that HSBC processed this payment in line with his instructions without completing further checks.

- In saying that, I've noted that before this, Mr D attempted to make the payment with his other bank, which ultimately declined it. But each bank uses its own criteria to decide when a payment should be queried. So this, by itself, isn't persuasive evidence that HSBC ought to have intervened.
- I've also noted the investigator's reasoning that even if HSBC had intervened, it is unlikely this would have changed the outcome for Mr D, given that when his other bank declined the payment, he found another way to make it. I'm inclined to agree with this reasoning, but as I don't think HSBC ought to have stepped in, I don't need to reach a conclusion on this point.
- As well as considering whether HSBC should have prevented the loss, I've considered whether it should have done more to recover it. I've seen that the payment was made to a money remittance service, who carried out the service it was supposed to in transferring the funds. So I don't think there was a reasonable chance of the funds being recovered.
- Finally, I've noted that this scam occurred at a time when Mr D was susceptible to it. But I don't think HSBC could reasonably have known that based on the information it had at the time. So this doesn't alter my decision.
- I understand this will be disappointing news for Mr D. To be clear, I am not blaming him – he was the victim of a scam at a difficult time in his life. But I don't think it would be fair to hold his bank responsible for his losses either.

My final decision

For the reasons I've explained, I don't uphold Mr D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 19 March 2026.

Emma Szkolar
Ombudsman