

THE COMPLAINT

Miss J complains that HSBC UK Bank Plc (“HSBC”) will not reimburse her money she says she lost when she fell victim to a fraud.

WHAT HAPPENED

The circumstances of this complaint are well known to all parties concerned, so I will not repeat them again here in detail. However, I will provide an overview.

Miss J’s HSBC debit card details were used to make several payment transactions (“the Transactions”) to online gambling merchants. Miss J argues that she did not consent to the Transactions. The Transactions were made between August and October 2024. They were approximately 90 in total and amounted to circa £2,700.

Miss J disputed the above with HSBC. When HSBC refused to reimburse Miss J, she raised a complaint, which she also referred to our Service.

One of our investigators considered the complaint twice, and did not uphold it on both occasions. As Miss J did not accept the investigator’s findings, this matter has been passed to me to make a decision.

WHAT I HAVE 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 find that the investigator at first instance was right to reach the conclusion he did. This is for reasons I set out in this decision.

I would like to say at the outset that I have summarised this complaint in far less detail than the parties involved. I want to stress that no discourtesy is intended by this. If there is a submission I have not addressed, it is not because I have ignored the point. It is simply because my findings focus on what I consider to be the central issues in this complaint.

Further, under section 225 of the Financial Services and Markets Act 2000, I am required to resolve complaints quickly and with minimum formality.

Key findings

Under the Payment Services Regulations 2017, there are two things that need to be satisfied for a payment(s) to be considered authorised. They are authentication and consent. Turning to authentication. Based on the technical evidence before me, I am persuaded that the Transactions were authenticated. I deal with consent below.

Miss J’s position is that she did not consent to the Transactions. The suggestion is that a third-party made them without Miss J’s consent.

The Transactions were made online using Miss J’s debit card details on the merchants’

websites in question. Miss J has not provided any credible explanation or evidence to support the proposition that her debit card was compromised in some way. In fact, Miss J confirmed to the investigator that her card was secure – kept in the glove compartment of her car or bedroom – and that no one had access to it.

Before some of the Transactions could be processed, a verification step was required. This involved a passcode being sent to Miss J's mobile phone, and then that passcode being inputted to authorise the Transactions. Miss J says that her ex-partner was in possession of her old mobile phone, so he may have made the Transactions. Miss J says she thought the mobile phone was broken and everything "cleared" off it. Even if I were to accept this, it still does not explain how Miss J's ex-partner was able to obtain Miss J's debit card details to make the Transactions online.

Notwithstanding the above, there are other issues in this case which cause me concern.

Miss J referred her complaint to our Service in November 2024. The investigator issued his first view on the complaint in February 2025. Between Miss J's referral and the investigator's first view, Miss J maintained the testimony mentioned above. However, after the investigator's view, Miss J's testimony changed. She now suggests that her former support worker made the Transactions. When the investigator challenged Miss J as to why she had not mentioned this earlier, she said that she did not want to accuse anybody without all the evidence. I do not accept Miss J's new account of how she says the Transactions were made. I find that a reasonable person in Miss J's position would have told HSBC and the investigator everything at the beginning to assist with their investigations. This change of testimony, to my mind, casts doubt on Miss J's credibility.

There are other inconsistencies with Miss J's testimony. For example, Miss J told the investigator that she does not gamble. However, Miss J's bank statements show that several payment transactions were made to at least some of the gambling merchants concerned, which took place before the Transactions were made. Those payments have not been disputed. Further, at least one of the gambling accounts in question was/is in Miss J's name. It seems unusual that an opportunistic fraudster would gamble using Miss J's account.

Taking all the above points together, I am satisfied, on balance, that Miss J consented to the Transactions – either by making them herself and/or providing authority to a third party to do so. I am not persuaded that a third party made the Transactions without Miss J's consent. It follows that if it could be argued that HSBC ought to have intervened in any of the Transactions, I find it unlikely that such an intervention(s) would have made a difference in the circumstances. Miss J would have likely told HSBC at the time that the Transactions were all above board.

I have considered whether an award for distress and/or inconvenience is warranted in this matter. Having done so, I am not persuaded that it is. I have not found any errors in HSBC's investigation.

Conclusion

Taking all the above points together, I do not find that HSBC has done anything wrong in the circumstances of this complaint. Therefore, I will not be directing HSBC to do anything further.

In my judgment, this is a fair and reasonable outcome in the circumstances of this complaint.

MY FINAL DECISION

For the reasons set out above, my final decision is that I do not uphold this complaint.

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

Tony Massiah
Ombudsman