

The complaint

Mrs S complains that HSBC UK Bank Plc (“HSBC”) declined to refund a failed withdrawal.

What happened

Mrs S lost her debit card linked to her account and needed cash for a purchase. She called HSBC and they offered to have the cash delivered to her at home. This was a service that used a travel cash company (referred to here as T) to provide the funds who in turn used another company (referred to here as R) to deliver the cash to Mrs S’s home.

During the call, Mrs S agreed to the transaction (£450) and her account was debited by the call operator. Mrs S was required to speak with another team to arrange a new card and during another call, she mentioned how helpful HSBC had been with the home delivery option. Mrs S was told that HSBC didn’t provide such a service, which caused Mrs S to panic and told HSBC to reverse the payment and stop any further action with those funds. Mrs S then had a series of calls with various HSBC teams, some who also didn’t believe this was a genuine HSBC service.

It later transpired that this was a genuine service, meaning it wasn’t any form of scam. Mrs S thought the payment had been cancelled and her account put back in its original condition. But, the funds were taken from her account and T confirmed to HSBC that the cash had been delivered.

Further enquiries were carried out and R provided a photo and a signature (in another person’s name) to evidence that the package had been delivered. Mrs S told HSBC that nothing had been delivered, although Mrs S herself wasn’t at home at that point.

A complaint was raised, but HSBC declined to make a refund, arguing the cash had been delivered. HSBC accepted they’d unintentionally misled Mrs S regarding the cash delivery service and made a payment of £200 to recognise the impact caused to her.

Mrs S remained unsatisfied and brought her complaint to the Financial Ombudsman Service for an independent review. An investigator was assigned to look into the matter both parties were asked for information about the complaint.

Mrs S was able to confirm that she’d lost her card, HSBC had offered to deliver cash to her at home and this was never carried out. She denied receiving any of the cash and said the details on the delivery form were not her (the signature) and the photo was not proof the parcel of cash had been delivered.

HSBC provided details of the request and records showing it was authorised. They included copies of calls and evidence given to them showing the proof of delivery.

The issue with the delivery was also raised with R who have not provided any conclusions regarding the complaint (as far as I’m aware).

After reviewing the evidence, the investigator concluded that HSBC had acted fairly and

recommended Mrs S contact R to deal with the delivery issue.

Mrs S disagreed and argued that HSBC are responsible for the loss, and they should refund the funds taken from her account.

As no agreement could be reached, the matter has now been passed to me for a decision.

I issued my provisional findings on the merits of Mrs S's complaint on 2 November 2025. In my provisional findings, I explained why I intended to uphold her complaint and offered both sides the opportunity to submit further evidence or arguments in response. An extract of that decision is set out below and forms part of this final decision:

What I've provisionally 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 now reviewed the complaint and all the available evidence, I've come to a different position than that of the investigator. I don't think HSBC have acted fairly towards Mrs S and my intention is to uphold this complaint. I'll explain why.

There's no real disagreement here that Mrs S authorised the transaction of £450 when she spoke with the HSBC call handler. Having listened to that call, it's clear Mrs S agreed to the transaction. So, for the purposes of whether the original payment was authorised, I'm satisfied it was.

It's apparent that much confusion was created by subsequent calls held between Mrs S and HSBC. That's been dealt with, so I won't dwell on the details as it's not necessary to consider the outstanding complaint issue.

What is relevant is that once Mrs S believed the transaction was a scam, she told HSBC to stop it. I understand that the payment was reversed but this was later put through the payment system. In a call held between HSBC and T, it's apparent that HSBC themselves were unclear if the payment had been successful or not. T confirmed it had been delivered.

The evidence for this is a picture of a parcel held in the delivery persons hand, with a signature and name of someone who isn't Mrs S.

Having reviewed the proof of delivery currently relied upon by HSBC, I have some doubts that R can show they successfully delivered the parcel to Mrs S. Before she cancelled it, Mrs S was under the impression that ID and her signature would be required to receive the parcel. This appears not to have happened, and the evidence presented by R is far from persuasive. This is relevant here because R were employed by T who were working for HSBC. So, it's reasonable to assume here that both T and R were acting on behalf of HSBC. What that means for the complaint is that HSBC remain responsible for the delivery up till Mrs S takes possession of the parcel of cash. It's also not up to Mrs S to chase individual businesses who were involved in the delivery on behalf of HSBC.

Unless HSBC can show the delivery was successfully delivered, I don't think it would be fair or reasonable to expect Mrs S to be held liable for the loss. The Payment Service Regulations 2017 (PSRs) are also helpful here.

S 75 refers:

75.—(1) Where a payment service user—

(a) denies having authorised an executed payment transaction; or

(b) claims that a payment transaction has not been correctly executed,

*it is for the payment service provider to prove that the payment transaction was authenticated, accurately recorded, entered in the payment service provider's accounts and **not affected by a technical breakdown or some other deficiency in the service provided by the payment service provider.***

I've added the bold to highlight HSBC's responsibility under the regulations. HSBC were providing a service to Mrs S with their home delivery option. As far as I can see, that service was deficient. That's because the evidence provided by R is less than persuasive when it comes to confirming the account holder (Mrs S) was handed the cash.

I don't think it's unreasonable to expect a delivery of cash to be made to the actual account holder unless specific arrangements for another option were agreed in advance. I doubt very much that HSBC would hand cash to anyone other than the account holder if asked in branch and I'd argue this isn't particularly different. HSBC appear here to have accepted that the delivery was successful because a photo was provided (which doesn't show the parcel delivered to anyone) and the signature is someone other than Mrs S.

My provisional decision

I'm currently not persuaded that HSBC have shown the parcel of cash was handed to their account holder, so I think it would be unfair for Mrs S to be held liable for it. I'm currently intending to require HSBC to refund the cash, add interest at 8% from the date of loss to the date repaid and pay Mrs S £100 for the additional stress and inconvenience caused to her.

I invited Mrs S and HSBC to give me any more evidence and information they wanted me to consider before issuing my final decision. Mrs S accepted my decision, HSBC made additional comments, in summary this was that:

- HSBC found it odd that Mrs S wouldn't complete a form for Royal Mail.
- In other circumstances they would agree with my outcome.
- HSBC don't believe they should have to reimburse Mrs S anything.
- Any delay was caused by Mrs S's refusal to complete the form, so HSBC shouldn't be liable for interest payments (if reimbursed).
- Mrs S has already been paid £200, so further payments aren't warranted.

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, and as neither party had anything further to add that would change my provisional decision, I see no reason to reach a different conclusion. So, this final decision confirms the findings set out in my provisional decision.

But, I will address those comments made by HSBC.

I was slightly perplexed that HSBC seem to be putting the lack of investigation of what happened on Mrs S's shoulders. It's not her responsibility to look into the matter, nor is she required to report the matter to the police. Whilst I accept she didn't fill out one particular

form, she'd already given details to HSBC at their request and provided a further response to the delivery.

I struggled to understand HSBC's position here as they seem to believe they aren't responsible for the refund in the first place when it's apparent that the funds weren't given to Mrs S.

Mrs S was clearly frustrated by HSBC's actions during the whole episode and having reviewed the evidence, I have some sympathy with her. As I've mentioned previously, but it bears repeating, HSBC told Mrs S several different versions of what was happening, leading her to believe she was being defrauded. Their actions led to confusion, stress and inconvenience.

In my provisional decision I said, "*Unless HSBC can show the delivery was successfully delivered, I don't think it would be fair or reasonable to expect Mrs S to be held liable for the loss.*" HSBC haven't provided anything further, so, in conclusion, I don't accept HSBC's position that they shouldn't refund Mrs S. The available evidence is such that it casts doubt on the delivery of cash to Mrs S. I don't think it's then reasonable for HSBC to blame any delay of that investigation onto Mrs S. If there's been a lack of enquiry into what happened, then Mrs S shouldn't be the one that suffers and it's reasonable to require HSBC to add simple interest to the award based on the avoidable delays.

I also made an additional award of £100 for the ongoing stress caused to Mrs S – something which I continue to think is both fair and reasonable in the circumstances. HSBC continue to put the responsibility onto Mrs S when I think that they had the obligation, knowledge and ability to investigate their own arrangement. Had they done so, likely would've resulted in an earlier conclusion to this matter.

My final decision

In order to settle this complaint, HSBC UK Bank Plc are now required to:

- Refund Mrs S £450.
- Pay simple interest at 8% from the date of loss to the date of repayment.
- Pay Mrs S an additional £100 for the continued stress and inconvenience caused to her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 19 January 2026.

David Perry
Ombudsman