

## The complaint

Mrs E complains that HSBC UK Bank Plc will not reimburse her with money she lost to a scam.

## What happened

On 4 December 2025 I issued my provisional decision on this complaint. I wanted to give both parties a chance to provide any further evidence and arguments before I issued my final decision. That provisional decision forms part of this final decision and is copied below.

*“On 5 August 2024 Mrs E was out of the house when her partner received a call on their home landline from someone purporting to be from their telephone communications (telecoms) company. That person told them that their home internet had been interfered with and hacked, meaning their internet access was public allowing anyone to use their internet connection. Very sadly it later turned out that Mrs E and her partner had fallen victim to a particularly sophisticated and cruel scam and that the people who said they were ‘representing’ the telecoms company were scammers.*

*The scammers showed Mrs E’s partner multiple ‘error’ messages on their home computer and told her partner to download remote access software. When Mrs E arrived home her partner was very distressed. The scammers told Mrs E that they were working to clear her computer, and that a well-known technology company I’ll call M would give them lifetime support. Mrs E agreed to ‘anti-hacking software’ being installed on their computer.*

*Using Mrs E’s online banking, the scammers showed Mrs E various amounts of money had been credited to her current account with HSBC. Mrs E noticed texts about transfers from her online bank account with HSBC. She also saw a fraud alert to say the online banking session was taking a long time. The scammers told Mrs E not to worry as they were dealing with this. Mrs E said the scammers she spoke to were very convincing and she placed total trust in them.*

*The scammers then persuaded Mrs E to send money to M. In summary, they told her M was paying money into her account which she then had to return. To do this Mrs E was told to use various money transfer services at the Post Office through which she could use her debit card to send money internationally to named individuals. In the meantime, she was told not to use her HSBC internet banking site because of the severity of the hacking incident.*

*During this period, Mrs E was using her partner’s phone as her own wouldn’t hold a charge and said the scammers were in constant contact with her. The scammers told her the various payments she’d made hadn’t gone through for seemingly legitimate reasons. The scammers told her that M would report her to the Police if she didn’t pay them back. They went on to say she’d be a criminal if she kept the money they said had been paid into her account (having shown her various credits) and she’d go to prison.*

*On Saturday 10 August 2024 (the final day of the scam) the scammers showed Mrs E a photo of the ‘hacker’ and all the places where her money had gone. They said the hacker was a ‘killer’ and that M was fed up the matter had gone on so long. But when Mrs E sent*

*her final payment the scammers said it hadn't gone through because the Post Office had charged her the business rate for the transfer. Mrs E found this unconvincing and at this point (10 August 2024) she rang HSBC's fraud department.*

*On Monday 12 August 2024 the scammers tried to contact Mrs E by phone but she ignored the calls made that day and during that week. It was only at this point that she saw her bank statement and realised the scammers had transferred £8,000 from her savings account with HSBC to her current account as otherwise she'd not have had enough money to make the transactions. An additional £2,300 she'd been shown as a credit to her account had, in fact, come from her savings. Mrs E's total loss was over £17,000.*

*Mrs E complained to HSBC that it hadn't protected her from fraud. She asked HSBC to refund the money. She said HSBC hadn't provided the best support and made her feel it was her fault the scamming took place. She said it hadn't taken into account that she'd been 'coerced, manipulated and threatened'. She wasn't given a case number until the beginning of October 2024 and so had to go through the story every time she contacted the bank, which was exceedingly stressful.*

*Mrs E also described the impact of the scam on her personally. She said her GP had transferred her for support and she'd received some therapy. She was also referred for therapy for Post Traumatic Stress Disorder (PTSD). She was having trouble sleeping and was frightened to go into Post Offices or near them. She was continually going over the process in her head and it had affected her mental wellbeing.*

*In its final response letter of 6 November 2024 HSBC said, in summary:*

- It acknowledged Mrs E's frustration as she'd banked with it for many years.*
- She'd made multiple payments by debit card on the instructions of the people she later discovered were scammers.*
- It couldn't look into the destination of the money because she'd used money exchange services at the Post Office. Only the Post Office could look into the fate of the funds.*
- It couldn't raise a card dispute as the service had been provided, in circumstances where Mrs E had made and authorised the payments.*
- It explained that some of the payments had been completed online with One Time Passcodes (OTPs) that had been sent to her mobile phone number. The OTP message confirmed who the transaction was with, the value and that she shouldn't share the code and to contact HSBC if she'd not generated them.*
- Mrs E had been aware of the transactions and had confirmed them as genuine when its fraud team spoke to her.*
- As such, HSBC would not refund the payments. It gave Mrs E scam warning information and gave her referral rights for this Service.*

*Mrs E asked this Service to look into her complaint. HSBC sent us its file. In doing so it told us that it refunded a faster payment of £600.99 made from Mrs E's current account because she had not authorised it. But it did accept that it had only reviewed the faster payment and not the card transactions which had caused unnecessary delays. It offered Mrs E £250 for its poor service.*

*HSBC said the card payments were authorised by Mrs E so it would not refund them. But it said it would review the outcome if it should have known Mrs E had been vulnerable at the time of the scam.*

After contacting Mrs E our Investigator contacted HSBC to clarify the disputed transactions. I am listing below my understanding of the dates and times of the disputed transactions (excluding the £600.99 faster payment as HSBC refunded it).

	<i>Transaction authorisation date &amp; time</i>	<i>Statement date</i>			
1	05.08.24 14:09	07.08.24	R (money transfer service)	Card	£200.00
2	05.08.24 15:41	07.08.24	W (money transfer service)	Card	£601.99
3	05.08.24 15:54	07.08.24	PO B de C (Post Office Bureau de Change)	Card	1199.90
4	06.08.24 13:26	07.08.24	PO B de C	Card	£606.90
5	06.08.24 14:32	07.08.24	PO B de C	Card	£1,212.90
		07.08.24	Credit	Transfer in from savings account	£8,000
		08.08.24	Credit	Transfer in from savings account	£2,300.00
6	07.08.24 11:30	08.08.24	PO B de C	Card	£1,199.90
7	07.08.24 13:52	08.08.24	PO B de C	Card	£1,198.20
8	07.08.24 15:29	08.08.24	PO B de C	Card	£1,199.20
9	07.08.24 16:55	08.08.24	PO B de C	Card	£1,211.20
10	08.08.24 15:10	09.08.24	PO B de C	Card	£1,700.00
11	08.08.24 16:07	09.08.24	PO B de C	Card	£1,709.52
12	09.08.24 11:12	12.08.24	PO B de C	Card	£1,709.52
13	09.08.24 11:13	12.08.24	PO B de C	Card	£1,709.52
14	10.08.24 14:18	12.08.24	PO B de C	Card	£1,709.52
				<b>Total</b>	<b>£17,168.27</b>

Our Investigator upheld Mrs E's complaint in part. In summary he concluded that the disputed transactions above were out of character and unusual, as compared to her usual

account activity. He thought HSBC should have realised Mrs E was at risk of financial harm from fraud and intervened on the first day (5 August 2024). He thought HSBC should have contacted Mrs E and asked her questions about the payments. If it had done so he thought Mrs E would have been honest about the reason she was making the payments.

Our Investigator thought the circumstances of the scam meant Mrs E wasn't able to protect herself from the loss, and, as such, he concluded she was vulnerable. He accepted that HSBC could not reasonably have recovered the money, because the card service had been provided when the money was transferred through money transfer companies. He thought HSBC's offer of £250 for its poor level of service was fair and reasonable.

Mrs E accepted our Investigator's findings (and clarified a few facts, including that she'd been vulnerable to the scam having suffered a recent bereavement).

HSBC did not accept the outcome. It said:

- Mrs E had made four payments on 5 August 2024. But the payments were made to three different retailers and for different amounts. Individually and cumulatively they were for modest sums. She'd also made a payment in March 2024 for a similar amount (£1,399.03 on 5 March 2024 to a utility company). Looking at the statements since the start of 2024, HSBC didn't accept the transactions looked anything out of the ordinary. Mrs E had made similar/large value transactions.
- Mrs E had contributed to the losses. She'd not undertaken any research and acted on the callers' instructions. A reasonable person would double check the authenticity of the caller. Mrs E had granted remote access to her computer and paid funds away to completely unrelated beneficiaries using her debit card.
- It didn't consider our Investigator had shown Mrs E was vulnerable, as his reasoning related to 'sophistications' rather than vulnerabilities. It didn't consider lack of technological experience or age in isolation made Mrs E situationally vulnerable to the scam.

## Developments

Following an initial review, I asked our Investigator to put some further points to both parties.

I asked HSBC to consider Mrs E's comments that she'd been caring for her parents for five years and they'd sadly passed away. She'd felt vulnerable and emotionally drained at the time of the scam. HSBC didn't make any further comments.

I also noted that HSBC had said in its final response letter that its fraud team had contacted Mrs E at the time of the scam. I asked HSBC for the call recordings of its contact with Mrs E but it said it couldn't produce the calls (and I acknowledge that HSBC had said this earlier in our investigation). But HSBC said the internal notes it had provided to us had been made at the time of its contact with Mrs E.

HSBC's internal notes indicate that its fraud team had contacted Mrs E on 9 August 2024 at 12:40 about the transactions. The notes also indicate that she'd asked HSBC to unblock the PIN for her debit card and had received instructions about how to do that. I will set out the notes in full in my provisional findings below. But in brief the notes indicate that HSBC had questioned the debit card payment of £1,700 (payment 10 above) and Mrs E had confirmed it was genuine. HSBC said it gave Mrs E various scam warnings but she said she knew the beneficiary and was making the payment for family maintenance.

I asked Mrs E about the above. She said:

- *She did not speak with HSBC when she was making any of the transactions. She only spoke to someone at HSBC on Thursday 8 August 2024 when she accidentally pressed the wrong PIN and wanted her card unlocked. At no time did HSBC ask her why she was making the transactions and so she had no discussion with HSBC about any family maintenance payments.*
- *She did not mislead HSBC at the time she was making the payments as she didn't speak to the bank at all except as described above to unlock her PIN.*
- *She has copious notes about the whole scamming event and has double checked her notes (even though her memory is correct) and spoke to HSBC only as described above.*
- *She is extremely upset by the statements from HSBC (about the alleged contact from the fraud team) which make her feel like a criminal.*

### ***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.*

*I have been very sorry to learn that Mrs E (as well as her partner) has been the victim of a particularly cruel scam. Mrs E feared for her own liberty and personal safety and I can only imagine the trauma she has suffered. She has described the financial and emotional impact of the crime, which I appreciate is ongoing.*

*So that I can explain my findings I've had to set out details of the scam and I am sorry for any additional distress this will cause Mrs E. My role is to determine the role HSBC played in this overall matter and whether and to what extent the bank should compensate Mrs E.*

*In broad terms, the starting position at law is that banks are 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.*

*Should HSBC have recognised that Mrs E was at risk of financial harm from fraud?*

*It's not in dispute that Mrs E fell victim to a cruel scam. It's also not in dispute that she authorised the payments, save for the payment made by open banking which HSBC has properly refunded.*

*I think HSBC should have recognised that Mrs E was at risk of financial harm from fraud. Having reviewed Mrs E's account statements and the pattern and speed of the disputed payments, I don't think HSBC should reasonably have intervened as early as our Investigator has found. But I think it should reasonably have intervened on 7 August 2024 at payment eight.*

*I've noted HSBC's point that Mrs E had made a payment to a utility company in March 2024 of a similar amount to payment eight. But by the time she made payment eight, she'd made several transactions of very similar amounts using payment transfer services or the Post Office Bureau de Change. I think these payments were out of character based on her usual account usage, which in the main were regular monthly payments. The pattern and speed of the disputed payments, all of roughly similar amounts were an indication that she might be at risk of financial harm from fraud.*

*Indeed, HSBC appears to have recognised Mrs E was at risk of financial harm from fraud, but at a slightly later point – payment ten on 8 August 2024. But I think HSBC should have taken additional steps slightly earlier and before allowing payment eight to debit Mrs E's account.*

*What did HSBC do to warn Mrs E?*

*HSBC says it did contact Mrs E about the payments and I'll set out the notes it says it made at the time of the contact below (the words in square brackets are mine to clarify or to anonymise where appropriate):*

*"9/8/24 1240*

*Cust states received text re online transfer, calling to say it's okay*

*Customer states got sms [text message] re only trf [transfer] she has made*

*Cust confirms value £1,700 and as genuine, that she made*

*Establish payment is to India, has paid before, payment for family maintenance, known bene [beneficiary] for a while*

*Check re £600.99 payment via [W] – customer confirms she has made and to different bene – aware of others as well [W]*

*Staff advise of sam [sic – scam] concerns.. mention re being advised to lie to bank*

*Customer wants payments made, states is personal tfr*

*Advise unable to make payment*

*Customer unhappy says is not a scam, knows bene*

*Cust comments bank card blocked as wrong PIN yesterday at PO so was blocked – only did it once but still blocked.*

*£1700, made myself.*

*held by fraud re scam/fraud concerns*

*advised of concerns. To visit branch*

*Not honest re purpose*

*-*

*9/8/24 1252*

*card blocked as wrong PIN in yesterday can you unblock*

*Staff advise can unblock at ATM, advise how to view PIN via mobile*

*-*

*9/8/24 1338*

*Calls back re card*

*spoke 30min ago re unlocking PIN, gone to ATM [cash machine] did not work*

*advised temp restrictions on card. Refer to attempted with [R] - cust confirms as genuine*

*[W] and [R] – Confirms as genuine.*

*(multiple) Post office – genuine*

10/08/24

1210

*Thinks been victim of scam/fraud."*

*So HSBC says it warned Mrs E about the risk of a scam, including where scammers tell victims to lie to the bank. It said it had scam/fraud concerns but Mrs E assured it she had authorised the payments, that she knew the beneficiary who was a family member and was paying for family maintenance.*

*Mrs E accepts that she contacted HSBC but says she did so only to unblock her card as it didn't work at the cash machine. She says this is the only time and reason she spoke to HSBC and that she didn't receive any scam warnings. I will return to this disputed point later in my decision.*

*What kind of warning should HSBC have provided?*

*Having thought carefully about the risk presented by the disputed payment eight, I think a proportionate response to that risk would be for HSBC to have attempted to establish the circumstances of the payment before allowing it to debit Mrs E's account. I think HSBC should have done so by, for example, blocking or pausing the payment, contacting Mrs E and discussing the payment.*

*To establish the circumstances in which the payment was being made, HSBC should have asked Mrs E a number of questions. This would have included questions intended to establish the purpose of the payment, whether anyone was telling her to make the payment and why she was making repeated payments of similar amounts.*

*As I've outlined, HSBC says it did contact Mrs E. I can't establish the quality of the questions it says it asked her as its notes are fairly brief. The notes mention warning her of the risk if she was being told to lie to the bank and that it was concerned she was at risk of being scammed.*

*It's unfortunate that HSBC has been unable to provide call recordings of the conversations it says it had with Mrs E. This is particularly the case as she disputes that she discussed any scam risks with HSBC and called it only to unblock her PIN.*

*Mrs E says her own copious notes confirm her own memory that she didn't discuss anything else with HSBC other than unblocking her PIN. I would be happy to review her notes if she wanted me to read them. And I appreciate it's difficult to 'prove a negative' – that is that she didn't speak to HSBC about the scam risk posed by her payments.*

*But I can't disregard that HSBC says its notes were made at the time of the calls – and this appears to be the case given its notes set out the times and dates and they correspond with the disputed payments. The notes suggest that Mrs E's card was blocked so that she'd need to contact HSBC before she could attempt to make another payment. This is in line with its internal records of the payment attempts. She accepts she did contact HSBC (and I appreciate this is because she understood she'd used the wrong PIN). HSBC's notes suggest that it was misled about the reason Mrs E was making the payments.*

*Based on the evidence I've received to date, I think it's more likely than not, on the balance of probabilities, that HSBC did call Mrs E to discuss the payments. She doesn't dispute she made the card payments, but I think HSBC was told that the payments were being sent to a family member.*

*So I think HSBC probably did intervene, albeit slightly later than I think it should reasonably have done. I think it did give Mrs E some scam warnings but I've been unable to assess the quality of its questions and the warnings it says it gave her.*

*But even if I were to find that HSBC's questions were not sufficiently open or probing, that it failed to give Mrs E effective warnings she might be falling victim to a scam or that it didn't speak to her about a scam at all, I need to assess whether HSBC could reasonably have prevented Mrs E's losses.*

*If HSBC could demonstrate that it had provided an effective warning, would that have prevented the loss Mrs E suffered from the disputed payments?*

*Mrs E has described the scam in detail, including the threats that the scammers made to her and her partner. She has told us about being threatened with criminal action, the Police and prison if she didn't repay the money she believed had been paid into her account. And to make matters even worse, Mrs E has told us she was shown a photograph of the person that she was told had hacked into her account and that this person was a 'killer'.*

*As HSBC has indicated to Mrs E, she was a victim of what's known as social engineering. And I think it was a particularly nasty scam, where the scammers were in very regular contact with her. She's told us herself that she was 'brainwashed' and 'sucked in' to the scam, and this was the worst mistake of her life. She has also said that when making the payments she had her partner's phone (because hers didn't hold a charge) and the scammers were in constant contact with her. She has referred to the scammers being 'continuously on the phone with her' which they said was essential for them to deal with the matter.*

*Having read all the submissions we've received from Mrs E and HSBC, I've come to the following provisional conclusions:*

*For the reasons I've already explained I currently think it's likely, on balance, that HSBC did contact Mrs E to discuss its concerns about the scam. But I think, again on balance, that it's likely she was being coerced by the scammers about how to answer the bank's questions while fearing for her personal safety and liberty.*

*While I can't fully assess the quality of HSBC's questions, I think it's likely on balance that Mrs E did mislead HSBC to believe she was sending money abroad to a relative. And even if I found HSBC should have asked more probing questions I don't think Mrs E could freely answer its questions. This is because the scammers were in constant contact with her and, by social engineering, were likely telling her to respond to the questions HSBC asked (and any other questions it might have asked). So I don't think even an effective warning at the point HSBC spoke to Mrs E would have prevented her loss because the scammers were, or would be, guiding her about how to answer any questions put to her.*

*I've considered all Mrs E has told us about her personal circumstances. She explained she was vulnerable to the scam due to bereavement, having lost both her parents for whom she'd cared for five years. HSBC hasn't specifically commented on Mrs E's vulnerability due to bereavement.*

*Having considered everything, and while I recognise that Mrs E has lost money to a cruel and sophisticated scam, I don't think HSBC could reasonably have prevented it. I appreciate that Mrs E might have been more vulnerable to this type of scam, given her comments around her bereavement and I'm sorry for her loss. But I don't consider HSBC missed signs of her vulnerability, so I'm not directing HSBC to reimburse Mrs E for her stolen money.*

*In saying this I don't intend to suggest that Mrs E was to blame for what happened to her. She was the victim of a very cruel scam and I have the utmost sympathy for her. But for the reasons I've explained I don't think I can fairly hold HSBC responsible – in full or in part - for the loss she suffered at the hands of the scammers.*

### *Recovery*

*Mrs E used her debit card to make transfers of money abroad. The payment service providers fulfilled the service of sending the money abroad. So I don't think HSBC could successfully have recovered the money using the debit card 'chargeback' process.*

### *Poor service*

*After Mrs E referred her complaint to us, HSBC properly accepted that it had given her a poor service when looking into her complaint. It had only looked at the open banking payment which she'd not authorised. While it did promptly refund that payment there was a delay in investigating Mrs E's card payments. Mrs E has described the impact of HSBC's poor complaint handling on her. HSBC has offered Mrs E £250 by way of apology for her additional distress and inconvenience caused by its delay and poor service and I think that was fair and reasonable."*

HSBC did not respond to my provisional decision with any additional comments or evidence.

Mrs E did not accept my provisional decision. She has set out the information she would like me to consider. In summary, she says:

- HSBC didn't ask any security questions when the amounts of £8,000 and £2,300 were transferred from her savings account to her current account by the scammers. Had it done so this would have triggered to her that something was wrong and put a stop to the scammers, as she didn't have enough money in her current account for the scamming to take place. HSBC said that her log in details had been used and so the transaction didn't trigger any additional checks. When she'd opened the Premier account many years ago she was assured her account would be closely monitored.
- In response to the bullet points on page 4 of my report where HSBC didn't accept the outcome:
  - She didn't agree her payments on 5 August 2024 were for modest amounts or that she'd made similar payments before. The payments it referred to were not comparable to the scam payments. She was not in the habit of making international transfers, having made them in the previous two years only to family members in the UK and Europe following copious security questions from HSBC and in her capacity as an executor to her mother's estate. HSBC said it had looked at earlier transactions but importantly it did not do this at the time of the transactions (5 August 2024).
  - HSBC says she failed to check the authenticity of the caller, but in fact it was her partner who had already granted remote access to the scammer. The blame shouldn't apply to them as it's well known that scammers are extremely convincing and clever. They'd put their trust in the scammers which is what thousands of scam victims do. She paid money to unrelated beneficiaries as part of her trust in the scam, and it was "*extremely insulting, belittling and callous (and unprofessional)*" for HSBC to make the comments it did about her. At the time of the scam, she was already under a great deal of strain due to high blood pressure (which is why she'd been at the doctor's when her partner received the initial call from the scammers) and coming straight into

- the situation put extra strain on her.
- With regard to HSBC's points about 'sophistications' she did not have any technological experience and relies on her children's help with technology. So she did lack technological experience when put through the scamming process. She believes she was situationally vulnerable due to her previous role as carer for her parents for five years, including through lockdown. She described the circumstances of her parents' deaths, which were extremely upsetting. She then had to personally deal with her mother's estate as executor and was still dealing with this in 2024. So to say she was not vulnerable and emotionally drained at the time of the scam is an understatement, and she would like HSBC to take this into account.
  - On page 3 of my report HSBC said the card payments were authorised by her so it would not refund them. But it said it would review the outcome if it should have known she had been vulnerable at the time of the scam (and she has explained why she believes she was vulnerable). The scammers were threatening her with prison if she didn't repay the funds that were supposedly loaned to her and she wasn't sleeping. It is difficult to explain what this experience was like even to someone like herself, a reasonably intelligent and sensible person.
  - On page 6 I explained where HSBC should have recognised she was at risk of financial harm from fraud and intervened at payment eight. Based on the comments in my provisional decision, she thinks HSBC should have frozen her account at payment eight given she was making many transactions to a named country on a daily basis which was out of character and unusual for her. So she considers she should be justified in having the money from payment eight onwards reimbursed to her by HSBC which is £10,948.48.

### **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.

Although I have summarised Mrs E's response to my provisional decision, I would like to assure her that I have read and fully considered all the points she has made. Having done so, I find I have not changed the findings I reached in my provisional decision, for the reasons set out in that decision and below. In explaining my findings, I will focus on the points that are central to my decision.

I have thought about whether HSBC should reasonably have intervened at the point money was transferred from Mrs E's savings account to her current account. I've taken into account Mrs E's point that as a Premier customer she was told her account would be monitored. But I don't consider this means HSBC had to intervene in the two transfers from her savings account to her current account. The transfers had been carried out using Mrs E's internet banking log-in details and were being made to her current account (rather than to an external account). I appreciate HSBC has made security checks more recently when Mrs E made similar transfers but this does not mean, of itself, that HSBC should have intervened in the £8,000 and £2,300 transfers.

Mrs E says that had she known about the transfers then the scam would have been uncovered. I do see what she's saying. But Mrs E said in her account of events that when her phone was charged she noticed texts about transfers from her online bank account with HSBC and the scammer told her not to worry as he was dealing with this. I'm not persuaded that any additional intervention would have prevented the scam because Mrs E was under the scammer's spell having been convinced they were acting to prevent any further hacking

of her accounts.

I've read and considered Mrs E's points about HSBC's reasons for not accepting our Investigator's findings. But her points don't persuade me to change my findings in her complaint.

As I explained in my provisional decision (repeated here for ease of reading):

*"I think HSBC should have recognised that Mrs E was at risk of financial harm from fraud. Having reviewed Mrs E's account statements and the pattern and speed of the disputed payments, I don't think HSBC should reasonably have intervened as early as our Investigator has found. But I think it should reasonably have intervened on 7 August 2024 at payment eight.*

*I've noted HSBC's point that Mrs E had made a payment to a utility company in March 2024 of a similar amount to payment eight. But by the time she made payment eight, she'd made several transactions of very similar amounts using payment transfer services or the Post Office Bureau de Change. I think these payments were out of character based on her usual account usage, which in the main were regular monthly payments. The pattern and speed of the disputed payments, all of roughly similar amounts were an indication that she might be at risk of financial harm from fraud."*

So I agree with Mrs E that the utility payment was not a comparable payment to payment eight. And while I have thought about Mrs E's point that her payments on 5 August 2024 were not modest, I remain of the view that the pattern and speed of the disputed payments should not reasonably have triggered an intervention until payment eight for the reasons I've given above.

I appreciate Mrs E was upset by HSBC's comments that she should have made further enquiries about the authenticity of the caller when the scam started, not least as she herself wasn't at home. I don't think there's any dispute that Mrs E (and her partner) fell victim to a cruel scam and I can understand this has taken its toll on Mrs E's physical and mental health. And I should reassure Mrs E that my decision does not turn on whether or not she should have taken any steps to investigate the scammers at the start of the scam. I do appreciate she had fallen under their spell. In other words, my decision is not based on any failure by Mrs E to look into the scammers. Rather, my decision turns on the point that any intervention by HSBC is not likely to have succeeded because of the grip the scammers held on Mrs E.

As I've explained in my provisional decision, I consider HSBC should reasonably have intervened at payment eight (rather than at payment ten when I find it did intervene). I don't consider HSBC freezing the account would have been a proportionate response to the risk the payments presented. But I do consider HSBC should reasonably have paused the transaction at payment eight and asked Mrs E some questions in the way I've described in my provisional decision. But for the reasons I've already given, I don't consider any intervention would have broken the spell of the scammers because I consider they were likely guiding Mrs E on the answers to give to the questions HSBC did ask her (at payment ten). So this means I can't fairly require HSBC to refund Mrs E part or all of the money she lost to the scam.

Before reaching my provisional decision I asked HSBC to take into account Mrs E's personal circumstances and her explanation of why she was vulnerable to falling victim to the scam. It did so but declined to refund the money she lost to the scam.

I don't doubt that the scam happened at a particularly difficult time in Mrs E's life when she'd been dealing with the death of both her parents and then acting as executor. I was very sorry to read about the distressing circumstances that she's described to me. But I don't consider HSBC missed signs of Mrs E's vulnerability, such that I can require it to refund to her part or all of her stolen money.

For completeness, I consider the £250 compensation that HSBC offered to Mrs E for its poor service in handling her complaint is fair and reasonable. But for the reasons I've explained, and despite my natural sympathy for Mrs E, I don't require HSBC to refund all or part of the stolen money to her. I am sorry for the further disappointment this will cause her.

### **My final decision**

For the reasons I've explained, I don't uphold Mrs E's main complaint about the disputed payments. I uphold Mrs E's complaint in part but only for HSBC's poor service and I require HSBC UK Bank Plc to pay her £250 compensation for distress and inconvenience as it has offered to do.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E to accept or reject my decision before 10 February 2026.

Amanda Maycock  
**Ombudsman**