

The complaint

Ms D complains that HSBC UK Bank Plc won't refund the full amount of money she lost to a scam.

What happened

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

Ms D complains that she sent several payments to what she thought was a legitimate investment.

When Ms D realised she had lost her money, she raised a complaint with HSBC.

HSBC looked into the complaint but didn't uphold it. It didn't think it had done anything wrong by allowing the payments to be made. HSBC went on to say that Ms D's payments were not covered under the Contingent Reimbursement Scheme (CRM) Model as they were made by debit card. So, she brought her complaint to our service.

Our investigator looked into the complaint but didn't uphold it. Our investigator didn't think the payments were of a value that would have triggered HSBC's automatic payment checking system. He also found Ms D was asking the scammer how to answer questions the banks might ask, so he didn't find any intervention would have worked.

As Ms D didn't agree with the investigator's view, the complaint has been passed to me to decide.

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'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the significant part here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Where the evidence is incomplete, inconclusive, or contradictory, I must make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

In line with the Payment Services Regulations (PSR) 2017, consumers are generally liable for payments they authorise. HSBC is expected to process authorised payment instructions

without undue delay. As a bank, it also has long-standing obligations to help protect customers from financial harm from fraud and scams. However, there are many payments made by customers each day and it's not realistic or reasonable to expect a firm to stop and check every payment instruction. There's a balance to be struck between identifying payments that could potentially be fraudulent, and minimising disruption to legitimate payments.

Having considered the size of the individual payments, I'm satisfied they were not of a value or remarkable enough to have triggered HSBC's payment checking process.

That said if I were to be convinced the higher value payments going to other accounts in Ms D's name ought to have triggered an intervention by HSBC, the most I would have expected is a tailored warning in the circumstances. I find it most likely Ms D would have moved passed these and made the payments anyway. I'll explain why.

The investigator has correctly pointed out that Ms D was asking the scammer for advice on how to answer any banking security questions asked. Given Ms D was willing to give inaccurate information had she been asked, I find the chances of any written warning resonating with her small – as she was clearly under the spell of the scammer around the time these payments were made.

So, I don't find HSBC did anything wrong when they didn't stop Ms D's payments.

Ms D says she was vulnerable at the time of the payments. I've considered this point carefully, but I've not seen any information to persuade me HSBC were aware of any vulnerabilities at the time.

As Ms D sent money to accounts in her name, no recovery would be possible. If any money remained in those accounts, she would be able to transfer it back herself. Ms D also reported the scam a long time after the payments were made.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms D to accept or reject my decision before 23 February 2026.

Tom Wagstaff
Ombudsman