

The complaint

Mr B is unhappy that HSBC UK Bank Plc (HSBC) won't reimburse money he lost to a scam.

What happened

The details of this complaint are well known to both parties, so I won't repeat everything here. In summary, Mr B has advised he made a payment of £2,500 to a cryptocurrency provider from his HSBC account in December 2025 which he ultimately lost to a scam. Mr B also made payments towards the scam from another banking provider, which I will refer to as "R".

Mr B raised a complaint with HSBC. It investigated the complaint but didn't uphold it. It didn't think it had done anything wrong by allowing the payment to go through. So, Mr B brought his complaint to our service.

Our Investigator looked into the complaint but didn't uphold it. Our Investigator didn't think the payment Mr B made was unusual and so they didn't feel HSBC should have identified a scam risk.

Mr B remained unhappy, so the complaint has been passed to me for a review and decision.

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 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 heart of the matter here. If there's something I have not mentioned, it isn't because I have ignored it. I haven't. I'm satisfied that 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.

It isn't in dispute that Mr B authorised the payment he made from his HSBC account. The payment was requested using his legitimate security credentials provided by HSBC and the starting position is that firms ought to follow the instructions given by their customers in order for legitimate payments to be made as instructed.

However, I've considered whether HSBC should have done more to prevent Mr B from falling victim to the scam, as there are some situations in which a firm should reasonably have had a closer look at the circumstances surrounding a particular transfer. For example, if it was particularly out of character.

Mr B had opened his account shortly before the scam so there was no transaction history to compare the payment to. However, it's not unusual to open an account and use it immediately. It's also not unusual for funds to be deposited into a new account before being

sent out, so I don't think this would have put HSBC on notice that Mr B was falling victim to a scam.

I appreciate that the payment lost to the scam may have represented a lot of money to Mr B, but it simply was not of a value where I'd usually expect HSBC to be concerned that Mr B was at a heightened risk of financial harm. Mr B made one payment, rather than multiple large payments which can sometimes indicate a scam is unfolding. So, in the circumstances, it would have been difficult for HSBC to identify that he was at risk of losing his funds.

The payment was also made to a legitimate cryptocurrency provider. And while there are known fraud risks associated with cryptocurrency, as scams like this have unfortunately become more prevalent, not all payments related to cryptocurrency are scam related. This means that I wouldn't expect HSBC to intervene on a payment just because it related to cryptocurrency.

I've kept in mind that firms such as HSBC process high volumes of transactions each day. There is a balance for HSBC to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate. And taking all the circumstances into account here, I don't think it was unreasonable for HSBC not to view the payment as suspicious, such that it should have carried out any additional checks or given an additional warning before processing the payment.

Mr B is unhappy that HSBC didn't intervene on his transaction but in the circumstances, I don't think an intervention from HSBC would have made a difference to Mr B's decision to send the payment. Mr B had calls with R before sending his payments. In these calls Mr B provided inaccurate information about the payments he was making, so R couldn't identify a scam was unfolding. He was sadly under the scammers spell and following the scammer's instructions, which is clear from the messages he has supplied our service. So, on balance, I don't think Mr B would have revealed the true purpose behind his payment if HSBC had probed further.

Mr B doesn't agree that our service should rely on interventions from R when assessing the outcome to this complaint. However, I don't think it's unfair to take into account how Mr B responded to interventions from other firms as this provides insight into his actions and thought process at the time of the scam.

Mr B has shared details about his ongoing health challenges. I'm sorry to learn about this and I thank him for sharing this information with us. But I've not seen anything to show that HSBC was aware, or ought to have been aware, of this information at the time of the disputed payment, so I'm not persuaded it should reasonably have done anything differently.

I have also considered whether HSBC could have done anything to recover Mr B's payment once the scam was uncovered, However, the funds were converted into cryptocurrency and paid to the scammers. Therefore, I don't think there was any realistic possibility of recovery.

I'm sorry to hear Mr B suffered a financial loss as a result of what happened. But it would only be fair for me to direct HSBC to refund his loss if I thought it was responsible – and I'm not persuaded that this was the case. For the above reasons, I won't be asking HSBC to do anything further.

My final decision

For the reasons I've explained, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or

reject my decision before 22 May 2026.

Aleya Khanom
Ombudsman