

The complaint

Mr H complains that HSBC UK Bank Plc won't refund the money he lost when he was the victim of a scam.

What happened

The background to this complaint is well-known to both parties, so I've just set out some of the key events below.

In early 2023, Mr H received a message from a woman on a social media platform. He replied and they began communicating. And their relationship developed to the point where they were messaging each other every day, and Mr H thought they were in a romantic relationship.

After they had been messaging for some time the woman started asking Mr H for money, firstly for day-to-day expenses, then to pay her grandmother's medical bills, and finally to help arrange the release of a large quantity of gold and diamonds she had inherited. And as Mr H trusted the woman at this point, he made a number of payments to account details he was given, including some from his HSBC accounts as set out below:

Date	Details	Amount
3 March 2023	From current account	£25,000
3 March 2023	From current account	£40,072
14 March 2023	From savings account	£248,080
4 April 2023	From savings account	£25,000
5 April 2023	From savings account	£25,000

Unfortunately, we now know the woman was a scammer. The scam was uncovered after another bank Mr H was making payments from arranged for the police to speak to him, and they informed him he was the victim of a scam. Mr H then reported the payments he had made to HSBC and asked it to refund the money he had lost.

HSBC investigated but didn't agree to refund the payments Mr H had made, as it said he had acted negligently. Mr H wasn't satisfied with HSBC's response, so referred a complaint to our service.

I sent Mr H and HSBC a provisional decision on 30 March 2026, setting out why I wasn't intending to uphold the complaint. That provisional decision forms part of this final decision and is set out below:

"The regulatory landscape, along with good industry practice, sets out requirements for firms to protect their customers from fraud and financial harm. So, in line with this, I think HSBC should have been monitoring accounts, had systems in place to look out for unusual transactions and, in some circumstances, have carried out additional checks before processing payments.

But, even if HSBC had recognised that Mr H was at heightened risk of financial harm from fraud when making some of these payments, I don't think the action I would have expected it to take would have prevented his loss. I'll explain why below.

HSBC's records show Mr H was asked to select the purpose of the payment from a list of options when making the first payment here, and he selected that the payment was for an investment. He was also asked why he was making the payment when he made the second payment here, and again told HSBC it was for an investment.

HSBC has also sent us recordings of phone conversations it had with Mr H about a payment he tried to make after the payments he has complained about here, and which was also connected to this scam. In these calls, Mr H says the payment is for the daughter of a friend he went to university and shared a house with, and has known for over 40 years. He says he is in contact with the friend quite regularly, has met both the friend and their daughter – including visiting them in Australia where the friend lives.

Mr H also tells HSBC that he's not been asked to mislead it about the purpose of the payment. He becomes agitated and interrupts when HSBC tries to explain about scam trends it has seen and says he won't ask his friend for details HSBC asks for. And he says this is not a scam and he doesn't intend to claim anything back from HSBC if it is.

HSBC then says it won't make the payment unless Mr H checks some details with his friend, and Mr H calls back around an hour later saying he has spoken with his friend in Australia. He also says he last spoke with his friend around a week ago and regularly visits them in Australia. HSBC then says it is concerned the payment is part of a scam so will stop the payment from leaving his account, and Mr H says to just return the funds to his account and that he will make the payment by other means.

I've also seen evidence of interventions another bank carried out with Mr H when he tried to make a later payment relating to the scam from an account he held with it. This other bank also had several phone calls with him, in which Mr H said the payment was for an investment he was making in a friend's furniture business. He said he'd known the friend for ten years and had met him face-to-face several times, including visiting him where he lived. The other bank then expresses concerns about how Mr H has been asked to send the money, and Mr H says he can vouch for his friend and that he is not a scammer.

Mr H then calls the other bank back the following day as the payment hasn't gone through. The bank says it has high concerns this may be a scam and advises Mr H not to make any further payments. But Mr H says he has known his friend for a long time, he's not a scammer and is a very honest man. He says his friend has now taken offence at the suspicions of a scam and the investment has fallen through. And Mr H says he now wants to transfer his money to other banks. Mr H then also subsequently raises a complaint with this other bank about its refusal to put his payment through.

From the communication I've seen between Mr H and the woman he was speaking to, there are a number of occasions where Mr H complains about the questions he is being asked by his banks and he and the woman discuss ways to avoid his banks asking him questions. From what Mr H says, it also appears that both his banks and other people he has spoken to have told him they think he is the victim of a romance scam and should stop speaking and sending money to the woman. But, despite this, Mr H continues to communicate with and send money to the woman.

So even if HSBC had asked more probing and in-depth questions about the payments Mr H was making here, I don't think he would have given it accurate or complete information about

the circumstances surrounding them – as happened with the questions he was asked by both HSBC and the other bank.

Given what I think it would have been told about the circumstances of the payments by Mr H, I also don't think HSBC would have had any significant concerns following its questions. And, as he continued trying to make payments from other banks following both HSBC's and the other bank's interventions I detailed above, I don't think any warning I would have expected HSBC to have given Mr H would have stopped him from continuing to make the payments and losing the money he did.

So I don't think anything I would reasonably have expected HSBC to have done here would have prevented Mr H losing the money he did. And so I don't think it would be fair to hold HSBC responsible for his loss or to require it to refund the money Mr H lost here.

Mr H has explained that he was suffering from a number of medical conditions at the time he fell victim to this scam, which affected his decision making. And my intention isn't to diminish the severity of the conditions he's mentioned and I don't underestimate the impact they had on him. But, from what I've seen, I don't think the circumstances he's mentioned mean that I would have expected HSBC to have taken significantly different action than that I've explained above.

I appreciate HSBC also spoke to Mr H about other payments he had tried to make, before the scam payments he has complained about here, and that Mr H said he thought he had been the victim of a romance scam. And I think HSBC should have had this in mind when Mr H tried to make the payments he has complained about here, a short time later.

But Mr H has said these earlier payments were to a different woman and were part of a different scam. They were also made to different payees, and the reasons Mr H gave HSBC for the payments were different. So I don't think HSBC would necessarily have been able to connect the payments Mr H has complained about here to those earlier payments. And as it appears Mr H was willing to give a variety of misleading answers to his banks, and to move money between banks, in an effort to avoid their questions and ensure the payments were made, I'm still not satisfied anything I would have expected HSBC to have done would have prevented his loss.

I recognise that Mr H has been the victim of a cruel scam and that my decision will come as a disappointment to him. He has lost a significant amount of money and I sympathise with the position he has found herself in. But I can only look at HSBC's responsibilities and, for the reasons I've set out above, I don't think it would be fair to hold it responsible for the money he lost here."

I said I'd consider anything further Mr H and HSBC sent in following the provisional decision, provided it was received by the deadline given.

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.

HSBC replied to the provisional decision, saying it had nothing further to add. Mr H replied, disagreeing with the decision, and saying HSBC could have reported the matter to the police, as another bank he sent money from did and which ultimately uncovered the scam. He also said he had done all he could to verify the existence of the gold and diamonds he was paying for, and didn't think he had acted negligently.

I appreciate that another bank Mr H sent money from as part of this scam did report what has happening to the police, and that this ultimately uncovered the scam. But I don't think it would be reasonable to have expected HSBC to refer the payments Mr H was making from his HSBC account to the police here.

From what I've seen, if HSBC had asked the kind of questions I would've expected, I think Mr H would likely not have given it accurate or complete information about the circumstances of the payments he was trying to make. And given the information I think Mr H would likely have given it, I don't think HSBC would have had significant concerns following its questions. And so I wouldn't have expected it to report the matter to the police.

I also recognise Mr H's strength of feeling about whether he did all he could to confirm whether what he was being told about the gold and diamonds was genuine, or whether he acted negligently. But I haven't commented on this, as it doesn't affect the reasons for my decision or the outcome I have come to.

So I still think the findings I set out in the provisional decision are correct, and for the same reasons. I'm not satisfied anything I would have expected HSBC to have done would have prevented Mr H's loss, or that it would be fair to hold it responsible for the money he lost here.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 12 May 2026.

Alan Millward
Ombudsman