

## **The complaint**

Mr B complains that HSBC UK Bank Plc (“HSBC”) won’t refund £2,006 he lost to a Home Office impersonation scam in January 2022.

## **What happened**

The details of this complaint are well known to both parties, so I won’t repeat everything again here. In brief summary, Mr B fell victim to a Home Office impersonation scam, where he was told he would need to pay a series of immigration fees or he would face being arrested.

Mr B made payments of £1,504.50 and £501.50 on 27 January 2022 using his HSBC debit card. The payments were made to his Wise account, where the money was subsequently sent on to the scammer. He also made several faster payments from his HSBC account to different payees, which have since been refunded and considered as part of a different complaint.

Mr B complained to this service, as he was under the impression that the bank had issued a full refund of all payments. However, it transpired that the £2,006 refunded into his account was only a temporary credit while it raised a chargeback dispute about the debit card payments.

Mr B is unhappy that HSBC has re-debited the £2,006 after the chargeback was unsuccessful and thinks it should refund the money, as it didn’t do enough to protect him from falling victim to the scam.

Our investigator didn’t uphold Mr B’s complaint. He noted that HSBC had spoken to Mr B about one of the payments he was making as part of the scam but didn’t think it could have done anything more to prevent his loss as Mr B was dishonest when he was questioned around what he was doing. Mr B disagreed, so the matter has been escalated to me to determine.

## **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, I agree with the conclusions reached by the investigator and have decided not to uphold it.

It isn’t in dispute that Mr B authorised the disputed card payments he made to Wise using his HSBC debit card. The payments were requested by him using his legitimate security credentials provided by HSBC, and the starting position is that banks 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 bank should reasonably have had a closer look at the circumstances surrounding a particular transfer. For example, if it was particularly out of character.

It isn't in dispute that the payments Mr B made as part of the scam on 27 January 2022 were considered unusual, given one of the faster payments that took place prior to the card payments was blocked pending further enquiry. So, while the card payments themselves were not questioned, HSBC nonetheless had an opportunity to prevent the payments being made to the scammer. Accordingly, it just a question of whether its intervention went far enough in all the circumstances.

When HSBC spoke to Mr B on 27 January 2022, he told the bank that he was sending money to a friend, as he said he'd been told to mislead the bank by the scammer. HSBC then proceeded to ask him questions about the friend he was sending money to, such as how he got the details, whether he knew the friend personally, and if he'd confirmed the payment details with them verbally. He also told HSBC that he had not been contacted by anyone forcing or threatening him send the money, and he also said he had not been told to mislead the bank, despite this being exactly what he had been told to do.

Having considered the questions HSBC asked during its intervention – as well as the responses given by Mr B – I'm not persuaded there was anything further the bank could have done to have prevented the payments being made to the scammer. Mr B said that he had not been instructed to make the payment and had not been told to mislead the bank, all of which was not true.

It was based upon the answers Mr B gave that HSBC was satisfied the payment wasn't likely being made as part of a scam and was going to one of Mr B's friends. I think HSBC asked appropriate questions of Mr B, which were ultimately led by the answers he gave. If he had answered the questions accurately and said he was in contact with someone claiming to be from the Home Office, who was telling him to lie to the bank, then I accept it would have been incumbent on HSBC to maintain suspicion about the payment and probe further into the circumstances. But seeing as Mr B was not forthcoming with these details, I don't think there was any failing on the HSBC's part to probe any further into how he came to be making the payment, as he had confirmed on more than one occasion that he had not been asked or threatened by anyone to make it.

So, in these circumstances, I don't consider it would be fair and reasonable to hold HSBC liable for the disputed card transactions, because it seems more likely than not that Mr B would have always made the payments to the scammers, notwithstanding any intervention made by the bank.

I appreciate that HSBC refunded the faster payments Mr B made as part of the same scam, which was considered as part of a separate complaint. But that doesn't mean it is obliged to refund the debit card payments under this complaint, as the faster payments were considered under a different set of considerations (the Contingent Reimbursement Model), which does not apply to debit card transactions.

I also understand that Mr B is unhappy that HSBC only provided a temporary refund as part of a chargeback claim. Given Mr B had disputed the card payments he made to Wise, I don't think HSBC acted unreasonably by raising a chargeback claim, even if there were limited prospects of such a claim succeeding. It told him on 30 April 2022 that a temporary refund of both card payments had been provided, and that this might be reversed depending on the outcome of the chargeback claim. So, I don't think it has done anything wrong by subsequently re-debiting the temporary credit when the chargeback was not successful.

Overall, while I appreciate this may come as a disappointment to Mr B, I'm not persuaded HSBC has done anything wrong here, or that it can fairly or reasonably be held liable for Mr B's loss.

**My final decision**

For the reasons given above, 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 15 January 2024.

Jack Ferris  
**Ombudsman**