

## The complaint

Mr & Mrs C complain that Bank of Scotland plc trading as Halifax haven't helped them in the recovery of money lost to a scam.

## What happened

The background to this complaint is well-known to all parties. So I'll summarise the key events here, rather than giving a detailed history.

- Mr & Mrs C were the victims of a scam in October 2015, having sent money to an overseas account. They reported this to their bank at the time, but their money wasn't recovered.
- Mr & Mrs C continued to pursue other avenues, trying to get their money back. In March 2021 the receiving bank told Mr & Mrs C it, *"is willing to cooperate and deliver to them (Halifax) any and all necessary information to the effect of refund"*.
- Mr & Mrs C contacted Halifax to notify it of this, supplying the correspondence they had, and asking for further help.
- No reply was received, despite a chaser being sent. Halifax would later say it didn't receive either letter from Mr & Mrs C. A complaint was raised with our service.
- Halifax did go on to contact the receiving bank again and received a response stating that no funds could be returned. This information was passed on to Mr & Mrs C.
- They have remained unhappy as they don't believe Halifax has done what it should have. They feel Halifax ought have requested the recipient account holder's detail so they might pursue a court case against the recipient of funds. And they feel that too much time has now passed, meaning they would be time-barred from bringing such a case.

Mr & Mrs C believe Halifax should then compensate them and pay them the full amount lost to the scam.

## 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'm not upholding it. I'll explain why. And, in doing so, I may not comment on every point raised by Mr & Mrs C. I have considered all that's been said, and I address the key findings below.

I'm sorry Mr & Mrs C fell victim to a cruel scam. I can understand why they've wanted to pursue all possible avenues in recovering their funds. But I can't say Halifax has acted unfairly or unreasonably here.

It's accepted by all that Halifax did what it needed to recover the funds when the scam was first reported in 2015. Even if that weren't accepted, it's a complaint that has already been

considered by this service and that was the outcome reached. So I won't be going back over what happened then.

It's clear Halifax did re-request a return of funds from the receiving bank in 2021, as well as 2015. But Mr & Mrs C's outstanding complaint is that Halifax ought to have specifically asked for details of the account holder, so that they might pursue them through the courts in the relevant jurisdiction.

The correspondence from Mr & Mrs C to Halifax doesn't state that explicitly. And neither does the correspondence between Mr & Mrs C and the receiving bank. So there was arguably some ambiguity about what was being asked. In any case, it doesn't appear that is what Halifax asked for when it contacted the receiving bank again; it seems to have re-requested the return of funds, which was again declined by the receiving bank.

Whilst I agree it would have been helpful for Halifax to have made the request Mr & Mrs C wanted, I don't find it's made an error in not doing so. There is no regulatory requirement for it to do so. Such a requirement was introduced in the Payment Service Regulations (PSRs) 2017, but these aren't retrospective and so don't cover the payment made by Mr & Mrs C.

It's also the case that, even if the rules were retrospective, Mr & Mrs C's payment still wouldn't be covered. That's because the rules are brought in under the definition of a payment being made using 'incorrect unique identifiers.' But Mr & Mrs C didn't use incorrect unique identifiers. Whilst some scam payments might be classified in that way, the one Mr & Mrs C made (for goods/service they thought were genuine but weren't) would not be.

Mr & Mrs C have also pointed to the FCA Principles which all businesses must follow. Whilst these do provide a broad guide for how a business ought to act, they don't establish specifics. As the title suggests, they are principles. It's also worth noting here that some of the Principles weren't in place, or took a different form in 2015, when Mr & Mrs C made their payment. The Customer Duty was only introduced last year. It's also important to remember there is clear financial regulation in place which sets out a firm's responsibilities. And, overall, I'm not persuaded the Principles or the regulations confer a requirement on Halifax to carry out Mr & Mrs C's specific request.

I know Mr & Mrs C are disappointed with the lack of help from Halifax. And I can understand why they would be. But this essentially comes down to a matter of customer service, rather than Halifax having breached any rules or regulations.

Mr & Mrs C didn't receive replies to the letters they sent Halifax in 2021. I don't know why that is. Where they were sent is not evident from the copies provided by Mr & Mrs C, though Mr C has informed us of the address used. Halifax seems to have no record of receiving them, so I'm not persuaded it simply ignored them.

### **My final decision**

I don't uphold this complaint against Bank of Scotland plc trading as Halifax.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Mrs C to accept or reject my decision before 27 February 2024.

Ben Murray  
**Ombudsman**