

## **The complaint**

Mrs B complains that Bank of Scotland plc trading as Halifax did not refund a series of payments that she says she lost to various scams.

## **What happened**

Mrs B contacted our service via a representative about several transactions carried out between April and November 2017. These included payments to various companies, as well as international payments to unspecified payees.

Mrs B's representatives stated she had fallen victim to a number of investment scams, as well as 'romance/friendship' scams. They said that Mrs B had looked online for investment opportunities in around 2017 and had telephone conversation with a number of companies, who she invested with. However, each time when she went to withdraw her funds, she was unable to access them and realised she had been scammed. Following this, she had mentioned a relative or friend of hers who referred her to someone who worked for the Federal Bureau of Investigations ("FBI") who said he could help her recover her funds from the investment scams. However, this also turned out to be a scam.

Halifax explained they had not been provided with sufficient evidence to carry out an investigation, and they did not even have a definitive list of transactions that were involved in the scams set out by Mrs B's representatives. So, they declined to reimburse Mrs B.

The case was referred to our service and our Investigator looked into it. They asked for evidence of any of the scams and for more of a breakdown of what occurred for each scam. They issued a view in which they explained there was no persuasive evidence to say the investment companies were operating as scams. Mrs B did not appear to make a loss from two companies, she received some credits from others and there was minimal evidence to show the international payments were made as the result of a scam. While Mrs B was called into branch for some payments in April 2017, there was no longer any evidence of what was discussed or any testimony from Mrs B about what happened. So, the Investigator did not think there was enough to show Halifax had missed an opportunity to reveal a scam.

Mrs B's representatives disagreed with the outcome. They felt that as Halifax invited Mrs B to branch over concerns about payments in April 2017, the intervention can't have been sufficient as they didn't uncover a scam. And they felt the international payments were more likely linked to another investment scam and possibly a recovery scam.

As an informal agreement could not be reached, the complaint has been passed to me for a final 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 firstly want to acknowledge the comments made by Mrs B's representatives about her

vulnerability due to her age, and they have said this has affected their ability to gather evidence. However, I would expect to see some evidence specific to the scams on file in order for me to fully assess what has occurred.

As has been agreed, I have only reviewed payments from April 2017 onwards. In this case, I have only been provided with historical statements for the period in question, which was over seven years ago now, as well as some limited testimony from Mrs B. However, this does not go into detail about each scam and there is no supporting evidence such as brochures or leaflets about the investments, details of what she was investing in and any expected returns, signed agreements or documentation of any kind, communications between Mrs B and the companies or a breakdown of what the payments were for as well as any returns received.

In order for me to decide what I think is more likely to have happened in the circumstances and to see if any necessary intervention from Halifax would have prevented any possible loss by Mrs B, I need some indication of what happened and what Mrs B understood about the situation. I can see Mrs B's representatives have been given a significant amount of time to gather this information however very little has been forthcoming from them. It isn't enough for me to be pointed to the businesses involved in the payments, or in some cases the suspected businesses. While some of the companies that Mrs B paid do appear to be suspicious or have had negative reviews online, without knowing more about Mrs B's interactions with them and what she understood or agreed to, it is difficult for me to make an assessment on whether an intervention from Halifax would have made a difference in the circumstances.

I'm aware that Mrs B was asked to visit a branch following two payments to one of the companies she has complained about. And her representatives have said the fact a scam was not uncovered shows Halifax did not carry out an effective intervention in the circumstances. But as explained above, without knowing what Mrs B understood about what she was investing in, what her interaction with the business was like and whether what she had agreed to sounded like a reasonable investment, I can't safely conclude what would more likely have been discussed had Halifax and Mrs B had a conversation about the payments. So, I can't safely conclude that Halifax made an error or did not carry out a proportional intervention in the circumstances. It should be noted that Halifax no longer has any detailed notes from the branch visit, which isn't unreasonable considering it was around seven and a half years ago now.

Mrs B's representatives have also highlighted a number of international payments, some of which are to cryptocurrency exchanges, one is supposedly linked to a scam company with a similar name to the payee and one is for around £75,000 to a textiles company overseas. However, I have once again been given no other evidence to show that these were connected to a scam such as any detailed testimony from Mrs B about what these related to. It isn't enough for me to simply be told a scam has occurred, I need to be satisfied there has been a scam based on the evidence on file.

Based on what I've seen, I can't say it's more likely these international payments are linked to scams. Not all payments to cryptocurrency are scam payments, so with no other evidence linking these to a specific scam claim, I cannot consider them further. Mrs B's representatives originally said the large payment to a textile company was actually to a capital recovery firm, that was linked to an individual from the FBI who said he could help Mrs B recover her funds. However, I've seen nothing to corroborate this, and would need either a detailed breakdown of what happened from Mrs B or copies of any correspondence between herself and the individuals involved.

Finally, Mrs B's representatives have said some of the international payments were to a

company with a similar name as the payee, and that these were linked to a number of the companies they mentioned in their initial submission to our service. But again, I've been provided with no evidence showing these companies are linked, or any other evidence of Mrs B interacting with them.

I understand that it isn't always possible to gather detailed evidence when there has been some time since a scam occurred. However, in light of the significant lack of any meaningful evidence in this case, I cannot agree that it's more likely Halifax has missed an opportunity to meaningfully reveal a scam in the circumstances, or that any proportional intervention would have prevented any possible loss from occurring in this case.

### **My final decision**

I do not uphold Mrs B's complaint against Bank of Scotland plc trading as Halifax.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 26 November 2024.

Rebecca Norris  
**Ombudsman**