

## The complaint

Mr and Mrs W complain that Bank of Scotland Plc trading as Halifax (BoS) didn't do enough to prevent them losing money to what they say was a scam.

Mr and Mrs W have used a representative to bring their complaint. But, for ease of reading, I'll mostly just refer to Mr W himself where I also mean Mrs W and the representative.

## What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview of some of the key events here. Mr W says that in 2021 he was introduced to an investment opportunity. He says a trusted friend was already making money and everything seemed professional. Mr W then made a series of payments from his joint BoS account using his debit card. The payments all went to 'C' which is a cryptocurrency exchange. From Mr W's account with C, I understand cryptocurrency was sent on to fund the 'investment' opportunity.

The relevant payments are listed below:

<b>Date</b>	<b>Amount</b>
24 August 2021	£800
26 August 2021	£20
8 September 2021	£1,000
15 Sept 2021	£750
7 October 2021	£500
20 October 2021	£400
17 January 2022	£3,000

Mr W says he never received any returns, and when he tried, he couldn't make a withdrawal and various excuses were provided. He then realised he'd been a victim of a scam. Mr W later complained to BoS. BoS didn't agree they'd done anything wrong and Mr W referred his complaint to our service.

One of our Investigators sympathised with Mr W's situation, but didn't recommend that the complaint should be upheld. He wasn't persuaded BoS could fairly be said to be responsible for the loss. Mr W disagrees and has asked for an Ombudsman to review his complaint.

## 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've reached the same outcome as our Investigator and for similar reasons. I know this will be disappointing for Mr W, so I'll explain why.

BoS' first obligation is to follow the payment instructions provided by their customers like Mr W. But that isn't the end of the story. They should also be alert to the possibility of fraud, scams and the misappropriation of funds and should do what they can to protect their customers from the same.

The fraud and scams environment is continually changing. And over time expectations on banks with regard to fraud prevention have generally increased. But this complaint is about payments that took place in 2021/2. So, it wouldn't be fair for me to assess BOS' actions at that time in the context of what might be expected in 2025. My decision has been considered in that context.

As I've mentioned, BoS should do what they can to combat scams. And there is clearly a balance to be struck between stopping and checking payments and allowing customers ready access to their funds. It isn't possible for BoS to stop every payment and have conversations with every customer. This would be impractical. I think it's fair that there is a degree of proportionality as to what can fairly be expected.

I can quite understand why in hindsight, now knowing the money is lost, that Mr W thinks BoS should've done more. But based on the information that was available at the time, combined with the value and timing of the payments involved, I don't think I can fairly say it was unreasonable for BOS not to do more than they did before processing them. This includes consideration that the payments likely would've been identifiably going to a cryptocurrency exchange. The payments didn't come in particularly quick succession (spread over a few months). Most of the payments also weren't of values that were particularly unusual compared to Mr W's usual account activity. Our Investigator has already shared some of Mr W's other payments to support this. And whilst the £3,000 was for more than was typically sent, I don't think it was so unusual, suspicious or indicative of a potential problem where I could fairly have expected more from BoS at the time.

BoS say they weren't aware of the scam until 2024 when Mr W made his complaint. Given the passage of time (and the fact that the payments went to Mr W's account with C), I don't think it's likely BoS had any reasonable prospect of recovering his funds at that time. Had they remained with C, Mr W would've already been in control of them and his testimony is that they were already sent on by that point. So I can't fairly say anything they did or didn't do would've made a difference.

For completeness, I'm also satisfied that the Lending Standards Board's Contingent Reimbursement Model (CRM Code) doesn't apply here. This was a voluntary scheme (in place at the time of the payments) which BoS had signed up to. Through the scheme, victims of scams were sometimes able to receive redress from the banks involved. But it doesn't apply to debit card payments. And for that reason, it isn't applicable here.

I'm genuinely sorry to hear of the impact the scam has had on Mr W. But despite my natural sympathy for him as a victim of crime, my role requires that I remain impartial. And as I don't think BoS are responsible for his loss, I can't fairly direct them to do more to resolve this complaint.

### **My final decision**

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W and Mr W

to accept or reject my decision before 10 October 2025.

Richard Annandale  
**Ombudsman**