

## The complaint

Mr C complains that Bank of Scotland plc trading as Halifax won't refund the full amount of money he lost to a scam.

## What happened

Mr C complains that from December 2018 he sent four payments to what he thought was legitimate investments.

Payment 1	06 December 2018	£10,000.00
Payment 2	23 April 2019	£10,000.00
Payment 3	14 June 2021	£500.00
Payment 4	15 June 2021	£4,500.00
		£25,000.00

Halifax looked into the complaint but didn't uphold it. Halifax found it was a civil dispute, rather than a scam. So, Mr C brought the complaint via a representative to our service.

Our Investigator looked into the complaint but didn't uphold it. Our Investigator found Mr C paid a legitimate company at the time.

As Mr C didn't agree with the Investigator's view, the complaint has been passed to me to decide.

## 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'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

I've decided to not uphold this complaint for materially the same reasons as our Investigator.

I'm sorry Mr C lost money but this doesn't automatically entitle him to a refund from Halifax. It would only be fair for me to tell Halifax to reimburse Mr C if I thought it reasonably ought to have prevented the payments, or it unreasonably hindered recovery of the funds.

## Prevention

Banks have various and long-standing obligations to be alert to fraud and scams and to act

in their customers' best interests. These include those mentioned in Mr C's submission including the PAS Code. These are predicated on there having been a fraud or scam. So, a first consideration in determining Halifax's obligations here would normally be: was Mr C scammed as he alleges?

Here though, I don't think the answer to this question makes a difference to the fair outcome to this complaint. Although the first two payments in question are of a value that I think should've triggered Halifax's automatic fraud prevention systems, I don't think Halifax could have prevented the payments being made.

Ultimately, I do not think any intervention by Halifax would have made a difference or prevented the payments. I say this because when Mr C made the payments, he was led to believe he was investing in a legitimate company and product. I'm not aware of any information Halifax could or should have known at the time from which it ought to have been concerned Mr C was being scammed.

Halifax could have given Mr C general fraud and scam advice in relation to investing in particular. But ultimately, I do not think I can fairly say it would have been able to give Mr C any information that would have led him to doubt what he already knew about what he was doing, including if he'd undertaken further reasonable research at the time. So, even if Mr C had been questioned in more detail about the investment by Halifax, I do not think it would have highlighted anything that would have caused concern or led Halifax to believe Mr C was at risk of financial harm from a fraud or scam.

So, even if Halifax did intervene and tell Mr C to conduct further checks on his investment, I'm not persuaded he would have found any negative information.

The third and fourth payment Mr C made were not of a value that I think ought to have concerned Halifax that Mr C was at risk of financial harm, they were also going to a different company to the first two payments and were made some years after. Having said that, I also don't think any intervention would have been successful had it happened - for the same reasons I've outlined for payment one and two.

## Recovery

Having considered the options available for recovery of the payments, I haven't found Halifax have done anything wrong or acted unfairly when it has directed Mr C to the administrator of the companies. I'm satisfied there is no other route available to Halifax for the recovery of funds.

## My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 15 July 2025.

Tom Wagstaff  
**Ombudsman**