

The complaint

Mr W complains Bank of Scotland plc trading as Halifax ("Halifax") won't refund the full amount of money he lost to a scam.

What happened

Halifax investigated the complaint and upheld it in part. Halifax found it should have intervened on the last payment Mr W made. It offered to pay Mr W 50% of the amount from that payment, as it felt Mr W should share responsibility for his loss.

Mr W wanted the full amount refunded, so he brought his complaint to our service.

Our investigator didn't uphold the complaint. He agreed with the payment Halifax said it should have intervened on, and he also agreed that a 50% return of this payment was fair in the circumstances.

Mr W has asked for the matter to be referred to a decision. So, 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 significant part 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.

Having considered longstanding regulatory expectations and requirements, and what I consider to be good industry practice, Halifax ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I have reviewed Mr W's account and the payments he made to the scam. Having considered when they were made, their value and who they were made to, I am in agreement with Halifax and our investigator when they have said that payment four made to the scam on 26 November 2021 ought to have put Halifax on notice that Mr W was at risk of financial harm. So, I'm satisfied Halifax have refunded Mr W from the correct place.

I've thought carefully about whether it would be fair and reasonable to hold Mr W partially responsible for the loss he has suffered. And on balance, in the individual circumstances of this case, I've decided Mr W should bear some responsibility for the loss. I'll explain why.

- The returns Mr W were promised seemed too good to be true. Had Mr W looked into the company in light of this, a quick google search would have brought back results indicating the company was potentially acting fraudulently.
- The investment opportunity was sent to Mr W unexpectedly and it's not something I'm aware he was actively looking for, which I think ought to have presented a red flag. Mr W then sent a large amount of money without doing any research into the company he sent it to.
- The person that recommended the investment had previously been discussing setting up fake profiles to boost online reviews. So, I think the credibility of the individual ought to have raised some red flags with Mr W, and he should have completed some of his own research before investing.

It's worth noting that Mr W's testimony has also been largely inconsistent regarding how he was scammed and the financial situation it left him in, which I outlined in an email to his representative. Mr W failed to respond to this with any further submissions.

So, having considered everything both parties have sent, I'm not persuaded Halifax need to pay Mr W any more compensation.

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 W to accept or reject my decision before 30 September 2025.

Tom Wagstaff
Ombudsman