

The complaint

Mr H complains that Bank of Scotland plc (trading as Halifax) will not refund money he lost to a scam.

What happened

On 27 November 2023 Mr H made three transfers totalling £6,308.58 to an account he held with another bank that I'll refer to as R.

Mr H said he received a phone call from someone impersonating R who told him his bank account had been infected by a virus and his account with Halifax was also at risk. Mr H said he then received what he thought was genuine communication from Halifax, but it turned out to be part of the scam. Mr H said he was told to transfer the funds to his account with R and that the money would then be paid back to his bank account with Halifax. He realised he had been scammed after several payments were made from his account with R, but the money was not returned to Halifax as promised. He raised the matter with Halifax but it didn't uphold his complaint.

Our investigator didn't think the complaint should be upheld. He didn't think there were sufficient grounds for Halifax to think Mr H was at risk of financial harm from fraud when he made the payments. Our investigator concluded that Halifax could not reasonably have been expected to prevent the loss.

As an agreement couldn't be reached, 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.

Having done so, I agree with the outcome our investigator reached and for similar reasons. I know this will be disappointing to Mr H, but I'll explain my reasons why.

Taking into consideration the relevant regulatory rules and guidance, codes of practice and good industry practice, Halifax should take steps to identify and where possible prevent sufficiently unusual or uncharacteristic payments to help protect its customers from financial harm resulting from fraud.

Even so, I think it is important to also highlight that there are many payments made by customers each day, and it's not reasonable to expect the bank to stop and check every payment instruction to try to prevent fraud or financial harm. There's a balance to be struck between the extent it intervenes in payments to protect customers, and not unnecessarily disrupting legitimate payment instructions.

Having reviewed Mr H's account activity, I don't find any of the payments were sufficiently uncharacteristic or unusual for them to have caused Halifax concern. The payments were to an account in Mr H's name, and he had made several transfers to this account in the weeks

prior. When considered in the context of the vast number of payment instructions Halifax receives, I don't find the payments were sufficiently unusual or of remarkable value such that Halifax ought reasonably to have been concerned he was at risk of harm from fraud and intervened.

Halifax could only attempt to recover Mr H's funds from the recipient bank in this case that's R. Considering the money was transferred to an account in Mr H's own name, and under his control, he had access to the funds himself but unfortunately the money was immediately moved and did not remain in his account with R. Therefore, I find there were no prospects of recovering the loss.

I have carefully considered all that has happened. I appreciate Mr H has been the victim of a cruel scam. Whilst I accept, he has lost out because of what happened, I cannot fairly or reasonably hold Halifax responsible for his loss and ask it to reimburse him.

My final decision

For the reasons I have outlined, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 28 July 2025.

Oluwatobi Balogun
Ombudsman