

The complaint

Mr C has complained that Bank of Scotland plc trading as Halifax won't refund money he says he lost to a scam.

What happened

Mr C says he received a text message informing him that he was due a reward in relation to cryptocurrency and a link to the platform was provided. The consumer clicked the link which took him to the cryptocurrency platform, which I will refer to as C. Mr C says he was required to deposit funds to fill up a 'reward bar' and then claim his returns. The deposits were said to be investments and were to fund different rewards – listed as bronze, silver, gold and platinum.

Mr C says each time he reached a new tier; his balance would grow on the account he held with C. Because of this, he thought C was legitimate. The disputed payments were initiated on the platform site and were made to a company which operates several casinos which I will refer to as 'S' and to a payment service provider which I will refer to as 'F'.

Mr C sent a total of £16,141 via faster payments between April and September 2024. After some time, Mr C attempted to withdraw his account balance which had grown to £100,000. However, the account was locked, and the webpage disappeared. And it was at this point that Mr C realised he had fallen victim to a scam.

Mr C feels Halifax should've done more to protect him and should've identified the payments as suspicious and inconsistent with his usual account activity.

Halifax has said that having reviewed information about S and F they appear to provide payment services for gambling sites online. Halifax stated that whilst these sites accept cryptocurrency as payments, the sites are not for investments. Halifax went on to say that Mr C has not been able to provide any details such as screen prints about the supposed investments. And believe the payments were made for gambling purposes in line with previous patterns of spending evidenced on the consumer's account. Halifax argued that with no evidence to support the scam – they wouldn't be able to raise a claim and consider any refund. They also said that they could not evidence a link between, F and S to support the claim.

Mr C didn't agree and referred his complaint to our service. Our investigator looked at his complaint but didn't recommend it be upheld. As the complaint couldn't be informally resolved it was passed to me to consider.

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.

It's not in dispute that Mr C authorised the disputed payments. And Halifax have a duty to act on his instructions. But in some circumstances, Halifax should take a closer look at the circumstances of the payments – for example, if they ought to be alert to a fraud or scam

risk, because the transaction is unusual, or looks out of character or suspicious. And if so, they should intervene, for example, by contacting Mr C directly, before releasing the payments. However, 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 alleged and to establish the loss he suffered.

And while I don't dispute Mr C's version of events, our service has asked him to provide further evidence surrounding how the scam occurred. And given he says this was a cryptocurrency investment scam, it hasn't followed the typical hallmarks of one.

I say this because, usually in these scenarios a consumer is asked to open an account with a cryptocurrency exchange, where they transfer money from their bank account to the crypto exchange account (held in their name). They are then asked to exchange the fiat money to cryptocurrency and provided details by the scammer on where to send the cryptocurrency to. This enables the scammer to obtain funds without being easily traceable. So usually in these circumstances, consumers are able to provide their crypto currency statements, evidence of the scammer providing wallet addresses to the consumer and evidence from their bank statements there funds were sent to a cryptocurrency exchange, prior to being sent to the scammer.

However, in this case Mr C says he transferred to what he thought was the investment platform, but the beneficiary was S. The funds were transferred from his bank account directly to S in sterling.

I want to highlight at this stage I haven't overlooked what Mr C has told us about the challenges he faced obtaining the original scam chats and screenshots of the platform (as it is no longer accessible). But in absence of being provided with any evidence about how the scam evolved, and it not following the typical hallmarks of a cryptocurrency investment scam, (along with other factors which I will come on to discuss), like the investigator, I'm not persuaded that Mr C has been the victim of a cryptocurrency scam.

All I can be satisfied of is that the consumer made payments to S and F but I can't be certain these transactions were lost to C (the scam Mr C said he had fallen victim to) or another scam. And while I can see that there are reviews online linking C to S, I haven't seen anything to link Mr C's circumstances to C. So, I can't substantiate a link between where the payments were sent to and C in relation to Mr C's complaint.

S is an online gambling company. I can see that Mr C did receive credits into his account from S on multiple occasions. These credits range from £57.82 to £1,835.95. Mr C has said he was unable to make withdrawal from his 'investment'. Whether these credits were winnings or funds withdrawal, the fact he's received these credits from S, doesn't suggest to me that a scam has taken place.

So, with that in mind, it appears that on the face of it, Mr C paid for a service he received from S. I've not seen sufficient evidence to show that Mr C was unable to use the service the company provided or that he was unable to make withdrawals. So, on balance, I am not persuaded Mr C's payments were made as part of a fraud or scam, so I don't think Halifax needed to intervene.

Mr C has said Halifax were aware of his gambling addiction and there should have been blocks placed on his account. However, Halifax's gambling blocks will only prevent card payments to merchants identified as gambling - but Mr C's payments weren't made by card. So, I don't think they ought to have done anything to block these payments.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 19 November 2025.

Jade Rowe
Ombudsman