

The complaint

Mrs K is unhappy that Bank of Scotland Plc trading as Halifax ("Halifax") won't refund her a number of payments she made as the result of a romance scam.

What happened

The circumstances that led to this complaint are well known to both parties, so I won't repeat them in detail again here.

However, in summary, Mrs K fell victim to a romance scam which involved her paying funds to someone she believed she was in a romantic relationship with. Mrs K met the scammer on a social networking website and had been speaking with him for around a month when he started to ask her to send him money.

Mrs K made the following payments as a result of the scam from her Halifax account, to an account she held with a money remittance service ("R") before transferring the funds to an account she held in India, and then on to the scammer:

Payment no	Date	Payee	Payment type	Amount
1	28 October 2024	Mrs K's account at R	Faster Payment	£2,001.99
2	29 October 2024	Mrs K's account at R	Faster Payment	£2,001.99
3	29 October 2024	Mrs K's account at R	Faster Payment	£5,048.33
4	30 October 2024	Mrs K's account at R	Faster Payment	£8,269.49
5	1 November 2024	Mrs K's account at R	Faster Payment	£6,999.99
6	5 November 2024	Mrs K's account at R	Faster Payment	£999.99
7	8 November 2024	Mrs K's account at R	Faster Payment	£3,001.99
			Total	£28,323.77

Mrs K says she realised she'd likely been the victim of a scam when the man repeatedly asked for more and more money. She reported what had happened to her to Halifax.

Halifax looked into Mrs K's complaint and thought it should be partially upheld. It offered to refund her 50% of her loss from Payment 4 onwards. Halifax said that this offer reflected that it should've stepped in and spoke to Mrs K about the activity on the account from this point onwards but that Mrs K should also bear some responsibility for the success of the scam too.

Mrs K remained unhappy with Halifax's response so she brought her complaint to this service where one of our investigators looked into things.

Our investigator didn't uphold the complaint – they thought the offer already put forward by Halifax was fair and they didn't recommend it be increased.

Mrs K didn't agree that Halifax's offer was fair. She said that Halifax should offer her a refund of 50% of all the payments she had made as part of the scam, not just Payments 4-7.

As an informal agreement could not be reached the case has been passed to me for a final decision.

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.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the time.

Having taken into account all of the above, I agree with the outcome reached by the investigator, for the same reasons they set out. I'm satisfied that the offer already put forward by Halifax is a fair and I won't be asking it to pay anything further. I'll explain why in more detail below:

Should Halifax have recognised Mrs K was at risk of financial harm from fraud?

I've reviewed Mrs K's account statements for the months leading up to the scam, and I don't think that Payments 1, 2 or 3 were remarkable enough for them to have stood out to Halifax.

Payments 1 and 2 are for relatively modest amounts and they aren't inherently suspicious when considering that it is quite common for customers to process transactions up to this amount on a daily basis. Mrs K often made payments that were similar in value. And whilst I recognise that Payment 3 is somewhat higher than the payments that Mrs K usually makes from this account, I also have to bear in mind that the payments here are being made to an account in Mrs K's own name, that she had paid numerous times before from her Halifax account.

So, overall, I'm not satisfied that the initial three scam payments should have stood out or looked so unusual when compared to Mrs K's genuine account activity that they should've prompted further checks by Halifax before they were allowed to leave this account. It follows that I wouldn't have made any recommendations in regard to the first three scam payments.

The above being said, I agree with Halifax that it should've had concerns by the time Mrs K attempted to make Payment 4. This was now the fourth transaction leaving the account over a three-day period and Mrs K's attempted outlay was now sitting at just over £17,000.

I agree with Halifax that it should've stepped in at this point and discussed the activity on Mrs K's account with her and that if it had, it likely could've uncovered the scam. I say this because it doesn't appear that Mrs K had been coached to lie to the bank or been given a cover-story to provide should it ask her questions. So, I'm satisfied that had Mrs K been questioned, she would've told Halifax she was sending funds to a man she had only recently met online. At this point, Halifax would've been able to tell her that she was likely falling victim to a common scam and prevented her further losses. And so, I agree with Halifax that it is fair and reasonable for it to offer Mrs K a refund from Payment 4 onwards.

I have then gone on to consider whether it would be fair and reasonable for Mrs K to bear some responsibility for the success of the scam.

To avoid further distress to Mrs K, who has already been the victim of a scam, I won't go into detail here. However, it is suffice to say that I'm satisfied there were a number of signs that things weren't quite right from the outset and that Mrs K should've scrutinised what she was being told by the scammer further. When Mrs K began sending funds to the scammer, she was essentially sending funds to a stranger she had only recently met online and who she had not met in person. She'd also not taken any steps to verify that the scammer was who he said he was or to verify what he was telling her.

Ultimately, Mrs K placed a lot of trust in someone she'd not met in person although she was able to critically analyse some of what the scammer was telling her as she did question the reasoning behind some of the discrepancies in the information he was putting forward. And so overall, I'm satisfied that Mrs K should also bear some responsibility for her loss.

As there were two businesses involved in sending these funds to the scammer (Halifax and R) and I'm satisfied that both businesses and Mrs K should share responsibility for the success of the scam, I would've recommended that Halifax compensate Mrs K 25% of her overall loss from Payment 4 onwards.

This means that I'm satisfied Halifax has already offered to refund Mrs K a reasonable amount in order to resolve this complaint. It has already offered to refund Mrs K more than I would've recommended it pay. It follows that I'm satisfied that the offer already put forward by Halifax is fair and reasonable and I won't be recommending it increase it further now.

My final decision

My final decision is that I won't be asking Bank of Scotland Plc trading as Halifax to increase the offer made to settle this complaint.

Halifax should now pay Mrs K the amount already offered – if it has not done so already.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 16 December 2025.

Emly Hanley Hayes
Ombudsman