

The complaint

Mr S is complaining about Bank of Scotland plc trading as Halifax because it declined to refund money he lost as a result of fraud.

What happened

Sadly, Mr S says he fell victim to a cruel romance scam. After meeting someone online and chatting to them for several months, he says they began asking for money to help with medical and other bills. He then made more than 50 card payments totalling around £57,000 between February 2024 and January 2025 that he says were lost to the scam between. The payments were sent via a third-party payment processor to a selection of different accounts.

Our investigator didn't recommend the complaint be upheld. He didn't think there was enough evidence to demonstrate the payments were lost to a scam. Further, he didn't think the nature of the payments should have led Halifax to suspect he may be a victim of fraud.

Mr S didn't accept the investigator's assessment. He believes the amount and frequency of the payments should have been viewed as irregular and that Halifax should have acted to prevent further loss.

The complaint has now been referred to me for review.

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've reached the same overall conclusions as the investigator. I haven't necessarily commented on every single point raised but concentrated instead on the issues I believe are central to the outcome of the complaint. This is consistent with our established role as an informal alternative to the courts. In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

There's no dispute that Mr S authorised these payments. In broad terms, the starting position at law is that a bank is expected to process payments a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of their account. In this context, '*authorised*' essentially means the customer gave the business an instruction to make a payment from their account. In other words, they knew that money was leaving their account, irrespective of where that money actually went.

There are, however, some situations where we believe a business, taking into account relevant rules, codes and best practice standards, shouldn't have taken its customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

Halifax also has a duty to exercise reasonable skill and care, pay due regard to the interests of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Taking these things into account, I need to decide whether Halifax acted fairly and reasonably in its dealings with Mr S.

The payments

Mr S says he spoke to the scammer exclusively using an online messaging app but unfortunately hasn't been able to provide any record of these communications or anything else to evidence where the money he sent ended up after it was received by the payment processor. I understand the reasons he's given for this but the lack of this evidence does make it much more difficult to establish money was lost to the scam and the extent of any loss.

This notwithstanding, when considering the list of payments highlighted, I must take into account that many similar payment instructions Halifax receives will be entirely legitimate and I also need to consider its responsibility to make payments promptly. Initially, the payments were generally low in value, were to different payees and weren't made in particularly rapid succession, so I don't think a pattern consistent with many known types of scam was evident and I wouldn't have expected the bank to intervene. By September 2024, however, the amount and frequency of payments had increased and I think there is an argument that Halifax should have intervened to at least ask Mr S to confirm the reason for the payments and to provide written scam warnings.

But to conclude Halifax should refund any payments made after this date, I'd need to be satisfied that any warnings it might have provided would have been successful in persuading Mr S not to go ahead with the payments. Here, again, I think the lack of available evidence from the time is particularly relevant.

I understand Mr S had been chatting with the scammer for several months before he began sending them money. His recollection of events shows he believed he was in a romantic relationship with the scammer and they were someone he thought he'd settle down with. So it seems he was under the scammer's spell and it's not immediately clear a warning from Halifax would have been sufficient to break that spell and convince him he was being scammed. Without evidence from the time, particularly a record of Mr S's communications with the scammer, I don't think I can fairly conclude that an earlier intervention by Halifax would have been sufficient to uncover the scam and prevent further losses.

I want to be clear that it's not my intention to suggest Mr S is to blame for what happened in any way. He was under the spell of a fraudster who was clearly adept at manipulating victims as part of a sophisticated scam. I can understand why he acted in the way he did. But my role is to consider the actions of Halifax and, having done so, I don't think there's sufficient evidence to conclude these were the cause of his losses.

Recovery of funds

I've also looked at whether Halifax could or should have done more to try and recover Mr S's losses once it was aware that the payments were the result of fraud.

As these were card payments, Mr S isn't liable for any refund under the industry's reimbursement schemes covering payment transfers. The way to seek recovery for card payments is the chargeback scheme. This is a voluntary agreement between card providers

and card issuers who set the scheme rules and is not enforced by law. A chargeback isn't guaranteed to result in a refund, there needs to be a right to a chargeback under the scheme rules and under those rules the recipient of the payment can defend a chargeback if it doesn't agree with the request.

I'd only expect Halifax to have raised a chargeback claim if it was likely to be successful and it doesn't appear that would have been the case here. The payments were sent via a legitimate payment processor that provided the service requested of it, that of collecting Mr S's money and forwarding it to the account he had instructed (albeit those account details were provided by the scammer). Mr S's disagreement is with the scammer, not the payment processor and it wouldn't have been possible for Halifax to process a chargeback claim against the scammer as he didn't pay them directly.

In the circumstances, I don't think anything that Halifax could have done differently would likely have led to these payments being successfully recovered.

In conclusion

I recognise Mr S has been the victim of a cruel scam and I'm sorry he lost such a large amount of money. I realise the outcome of this complaint will come as a great disappointment but, for the reasons I've explained, I don't think there's sufficient evidence to show any further intervention by Halifax would have made a difference to the eventual outcome and I won't be telling it to make any refund.

My final decision

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 S to accept or reject my decision before 8 December 2025.

James Biles
Ombudsman