

## THE COMPLAINT

Miss C complains Bank of Scotland plc trading as Halifax will not reimburse her money she says she lost when she fell victim to a scam.

## WHAT HAPPENED

The circumstances of this complaint are well known to all parties concerned, so I will not repeat them again here in detail. However, I will provide an overview.

Miss C has fallen victim to a romance scam. She made a significant number of payments to a person she believed to be a well-known celebrity chef ("the scammer"). Miss C says she made these payments, in the main, because she thought they were going towards the purchase of a house she believed she was buying and refurbishing with the scammer. In addition to the ploy about the house, Miss C says the scammer told her they were being investigated for tax evasion and required money for the resulting fines and release of funds from their bank account. To help the scammer resolve these issues, Miss C says she made further payments to them.

Miss C used various accounts and payment methods to send money to the scammer between 2020 and 2022. In this matter, Miss C used her Halifax credit card to make payments to the scammer via Xoom:

Payment Number	Date	Amount
1	22 February 2021	£1,912.49
2	22 February 2021	£2,315.49
3	25 February 2021	£2,315.49
4	27 February 2021	£2,717.99
5	02 March 2021	£2,415.99
6	18 March 2021	£302.49
7	29 March 2021	£101.99

8	30 April 2021	£131.99
9	20 May 2021	£141.99
10	31 May 2021	£101.99
11	29 June 2021	£131.99
12	01 July 2021	£186.99
13	21 July 2021	£825.49

Miss C disputed the above with Halifax. When Halifax refused to reimburse Miss C, she raised a complaint, which she also referred to our Service.

One of our investigators considered the complaint and did not uphold it. As Miss C did not accept the investigator's findings, this matter has been passed to me to make a decision.

### **WHAT I HAVE 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 find that the investigator at first instance was right to reach the conclusion they did. This is for reasons I set out in this decision.

I would like to say at the outset that I have summarised this complaint in far less detail than the parties involved. I want to stress that no discourtesy is intended by this. If there is a submission I have not addressed, it is not because I have ignored the point. It is simply because my findings focus on what I consider to be the central issues in this complaint.

Further, under section 225 of the Financial Services and Markets Act 2000, I am required to resolve complaints quickly and with minimum formality.

### **Regulatory framework**

The regulations which apply in this matter are the Payment Services Regulations 2017 ("the PSRs").

### **Other disputed payments**

Miss C has argued that there are disputed payments that the investigator did not include in their findings. Having carefully considered this issue, I am satisfied that the investigator has dealt with the appropriate transactions related to this specific complaint. Further, I will not be making any findings regarding Miss C's other complaints with our Service which have already been resolved.

### **Should Halifax have recognised that Miss C was at risk of financial harm from fraud?**

It is not in dispute that Miss C authorised the payment transactions in this matter. Generally, consumers are liable for payment transactions they have authorised. However, that is not the end of the story. This is because even if a payment is authorised, there are regulatory requirements and good industry practice which suggest firms/bank – such as Halifax – should be on the look-out for unusual and out of character transactions to protect their customers from financial harm. And, if such payment transactions do arise, firms should intervene before processing them. That said, firms need to strike a balance between intervening in a customer's payment to protect them from financial harm, against the risk of unnecessarily inconveniencing or delaying a customer's legitimate transactions.

I have borne the above in mind when considering the payment transactions in this matter.

I am not persuaded that any of Miss C's payment transactions in this matter should have triggered Halifax's fraud detection systems. I say this because the majority of the payments were relatively low in value. I have thought about the combined value of Payments 1 and 2 made on the same day. Whilst I do acknowledge the combined amount was higher than Miss C's other payments, I still do not think the amount was high enough to trigger Halifax's systems – particularly given the payments were made in 2021. To reach this conclusion, I have also taken into account the fact that the payments were made using a credit card – a payment method often used to make higher value transactions.

For these reasons, I would not have expected any of Miss C's payment transactions in this matter to have triggered Halifax's fraud detection systems.

Even if it could be argued otherwise, I would have expected Halifax to have intervened by providing Miss C with an automated written warning. And had it done so, I am not satisfied that such an intervention would have made a difference in the circumstances (see reasoning in my decision issued in Miss C's linked complaint about Lloyds).

### **Recovery of funds**

I have considered whether Halifax acted appropriately to try to recover Miss C's funds once the fraud was reported.

Miss C used her credit card to make the payment transactions concerned, which means she could potentially recover her money under chargeback or section 75. However, given the circumstances of Miss C's payments, I am satisfied that she would not have any rights under these schemes.

### **Conclusion**

Taking all the above points together, I do not find that Halifax has done anything wrong in the circumstances of this complaint. Therefore, I will not be directing Halifax to do anything further.

In my judgment, this is a fair and reasonable outcome in the circumstances of this complaint.

### **MY FINAL DECISION**

For the reasons set out above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 14 September 2025.

Tony Massiah  
**Ombudsman**