

## The complaint

Miss C complains that Bank of Scotland plc trading as Halifax (Halifax) is refusing to refund her the amount she lost as the result of a scam.

Miss C is being represented by a third party. To keep things simple, I will refer to Miss C throughout my decision.

## What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Miss C has told us that she found an advertisement for an investment company I will call "X" on social media and made an enquiry by sending a message expressing her interest.

Miss C then received messages from X via a well-known messaging application. As part of the onboarding process Miss C was required to provide identification documents which helped convince her that X was genuine.

Miss C started making payments in relation to what she thought was a genuine investment and had access to a genuine looking investment platform. However, when Miss C tried to make a withdrawal, she was asked to make further payments first. Miss C's account was then frozen and communication with X ceased. Miss C then realised she had fallen victim to a scam.

Miss C has disputed the following payments made from her Halifax account in relation to the scam:

Payment	Date	Payee	Payment Method	Amount
1	4 January 2025	Payward Ltd	Transfer	£1.00
	6 January 2025	Payward Ltd	Transfer - Blocked	£14,480.00
	6 January 2025	Payward Ltd	Transfer - Blocked	£5,000.00
	6 January 2025	Payward Ltd	Transfer - Blocked	£5,000.00
2	6 January 2025	Payward Ltd	Transfer	£14,480.00
3	6 January 2025	Payward Ltd	Transfer	£9,100.00
4	13 January 2025	Payward Ltd	Transfer	£5,000.00

Our Investigator considered Miss C's complaint and didn't think it should be upheld. Miss C disagreed, so this 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.

It has not been disputed that Miss C has fallen victim to a cruel scam. The evidence provided by both Miss C and Halifax sets out what happened. What is in dispute is whether

Halifax should refund the money Miss C lost due to the scam.

### *Recovering the payments Miss C made*

The payments Miss C made in relation to the scam from her Halifax account were made by transfer. When payments are made by transfer Halifax has limited options available to it to seek recovery.

The payments Miss C has disputed were not made to the scammer directly. Instead, they were made to a cryptocurrency exchange in exchange for cryptocurrency that was provided to her. As it took further steps for those funds to end up in the hands of the scammer, any attempt to recover the disputed payments would have no prospects of success.

### *Should Halifax have reasonably prevented the payments Miss C made?*

It has been accepted that Miss C authorised the payments that were made from her account with Halifax, albeit on X's instruction. So, the starting point here is that Miss C is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Halifax should have been aware of the scam and intervened when Miss C made the payments. And if it had intervened, would it have been able to prevent the scam taking place.

A call did take place on 6 January 2025 between Miss C and Halifax after several payments she was attempting were blocked. Miss C confirmed:

- She was investing in crypto and had been investing for one year.
- She managed the account herself.
- No one else was helping manage her account.
- No one had asked her to lie during the call.
- She had not received unsolicited calls.
- The fees to buy cryptocurrency through her other account were too high, which is why she was using Halifax.

Miss C was not entirely honest with her responses to Halifax; she moved funds to Halifax after her other provider refused to make a similar value payment to a cryptocurrency exchange the same day. I also think Miss C had several opportunities during the call to explain she was being helped with the investment.

Halifax warned Miss C about scams it was seeing that were not relevant to the one she was experiencing. Halifax also warned that there was no dispute process if the payment went wrong.

Considering the value of the payments Miss C was making, and that they were going to a well-known cryptocurrency exchange, I think Halifax should have intervened further than it did to find out more about the payments. But I don't think further intervention would have made a difference. I will explain why.

Miss C also made other payments in relation to the scam from another account she held with another provider. The other provider intervened on several occasions. Miss C confirmed:

- She understood that investments promoted by social media, or celebrities are almost

always scams.

- She had discovered the investment opportunity via a friend or family member.
- She was not following any instructions.
- She wasn't engaged in an opportunity offering high returns.
- The investment opportunity had not come from someone she had just met.
- The payment was being made to an account she owned.
- She had researched the company and found no mention of scams
- She understood that if she was sending money to an account she didn't control as part of an investment it's likely she was being scammed
- No one had recently reached out to her on social media about an investment.
- She had five years' experience in cryptocurrency.
- She understood the risks.
- If the provider could not make the payments, she would use a different provider.

Miss C also received several warnings relevant to the scam she was experiencing.

The answers Miss C provided to the other provider were not accurate. She had found the investment via social media, it had not been recommended by a friend or family member, she was following instructions and providing screenshots to X, and high returns had been discussed.

Providing incorrect information would have made it extremely difficult for any of Miss C's account providers to uncover the scam that was taking place.

Even if Halifax had intervened further (as I think it should have), I don't have enough to say that Miss C would have provided any more honest information than she had done previously. With the above in mind, I don't think Halifax missed an opportunity to prevent the scam and it is not responsible for Miss C's loss.

Miss C has further stated that English is not her first language. However, having listened to the call, and looking at the responses provided by Miss C, I'm confident she was able to understand and take part in the discussions successfully.

If Miss C was finding it difficult to understand any written communication, it would have been reasonable for her to have sought support from either Halifax or friends and family, which I can't see she had the need for in any event.

### **My final decision**

I don't 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 2 January 2026.

Terry Woodham  
**Ombudsman**