

The complaint and background

Mrs S through her representative, complains about the actions of Bank of Scotland plc trading as Halifax when it declined to refund her money lost when she fell victim to a cryptocurrency investment scam.

The details of this complaint are well known to both parties, so I won't repeat them in full here. Instead, I'll summarise what happened and focus on giving details of our Services' involvement and the reasons for my decision.

Mrs S says she was introduced to an alleged investment opportunity which I'll refer to as U. She says she was made aware of the opportunity to invest with U through individuals from a prior alleged investment scheme which I'll refer to as C. Mrs S also lost funds to C, which is the subject of a separate complaint at this service.

Mrs S explained she was encouraged to watch a number of presentations with the project focused not on trading but minting cryptocurrency coins. And she was aware that there had been investors with U (that she'd known through C) that had been investing with U for a couple of years and were able to vouch for the company that they'd made significant returns. But it later came to light that the scheme wasn't quite what it seemed, and Mrs S believes she'd been scammed.

A complaint was raised with Halifax which was rejected before it was brought to this service. Our investigator also rejected the complaint. She was satisfied that Mrs S had fallen victim to a scam operated by U, but she wasn't satisfied Halifax should reasonably have expected to prevent her loss. As agreement couldn't be reached, the case has been passed to me to decide.

I contacted Mrs S informally, as our rules allow. I expressed concerns that Mrs S had supplied very limited evidence of her losses in relation to U. And from what had been provided there were a number of discrepancies when compared to the list of disputed transactions. And there was suggestion from the evidence supplied, there might've been other payments related to U made. I explained that what was missing most importantly was any evidence of any instructions or interactions Mrs S had in relation to the disputed transactions she made to her own cryptocurrency account tying them specifically to U.

I went on to explain that even if I were satisfied Mrs S had sufficiently evidenced her losses in relation to U, the payments made to her cryptocurrency account were well established at that time and the value of the payments were in keeping with her account history. So just as our investigator had concluded, I wasn't satisfied the payments ought to have resulted in any interventions by Halifax.

Mrs S maintained she wanted to continue with her case.

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 broad terms, the starting position at law is that a bank such as Halifax is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

Here it's not in dispute that the payments were authorised, so the starting position is that Halifax isn't liable for the transactions.

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

Following my informal contact with Mrs S, her representative said that there was credible evidence demonstrating Mrs S was engaged with U and that she made payments in connection with U and suffered a genuine financial loss. It further said the absence of certain documents does not negate the broader pattern of fraud and deception.

Mrs S says she made these payments due to being involved in a scam investment operated by U. However, she's still not been able to evidence to our Service that these payments that she made to her own cryptocurrency account were lost to this scam. Mrs S has evidence that she held an account with U. She's also provided evidence of an account held in the name of a family member which Mrs S confirms she set up and had planned to gift them. Mrs S has provided evidence of invoices confirming purchases of some kind made as well as screenshots of their account activity with U – but those don't directly tie up with the payments themselves. They differ considerably. And the account activity with U indicates transactions that took place in months where there are no disputed transactions at all.

Ultimately, while I accept Mrs S was involved in the scam U ran, she hasn't provided evidence that the payments complained about now did go to this scam. So, I can't fairly say Halifax needed to do anything differently, as Mrs S hasn't evidenced there was a risk of financial harm associated with her making these payments, that Halifax then ought to have acted to try and prevent. Or evidenced that she has actually suffered a financial loss from these specific payments as the result of a scam operated by U.

But even if I were satisfied Mrs S had sufficiently provided evidence that the payments complained about now did go to this scam, I'm in agreement with the conclusions reached by our investigator. I can't ignore the fact that by the time these disputed transactions were made, the payee was well established on Mrs S's account. This payee had featured on her account as early as March 2021 – a year prior to the disputed transactions in this case. And I'm not satisfied the values of any of the payments that took place between March 2022 and March 2023 ought to have alerted Halifax to any concerns or suspicions that she might be falling victim to a scam, such that it ought to have made enquiries of Mrs S before processing them. Mrs S advised that on a few occasions, Halifax had contacted her while making a £50 and £75 purchase which suggests that real-time fraud monitoring was in place. But just because that might've occurred (and to be clear I don't have evidence of this, nor am I satisfied that I need evidence of this to determine this case) the fact remains that Halifax has provided evidence that none of these payments triggered its fraud monitoring systems. And for the reasons I've set out above, I don't think that's unreasonable.

In light of the above, I don't find there were any failings on Halifax's part that would lead me to uphold this complaint.

I've considered whether there are any ways Halifax could have recovered Mrs S's money, but I don't consider it could have.

Finally, I understand Halifax issued a final response letter which made an award of £50 for the length of time it took to consider Mrs S's complaint. I should explain just as our investigator has, complaint handling in and of itself is not a regulated activity. So, I'm afraid that a complaint about complaint handling would not be within our remit and so I won't be commenting on that here.

My final decision

For the reasons given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 26 November 2025.

Mark O'Connor
Ombudsman