

The complaint

Mr H complains that Bank of Scotland Plc trading as Halifax (Halifax) didn't do enough to protect him from losses to a scam.

Mr H has used a representative to bring his complaint. But, for ease of reading, I'll mostly just refer to Mr H himself where I also mean his representative.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview of some of the key events here. In 2023, Mr H was the victim of a scam. He met someone online and a close relationship formed. Ultimately this person said they would help Mr H to invest in cryptocurrency and generate profits using AI.

The chat history between Mr H and the scammer shows that he was talked through opening cryptocurrency accounts, how to credit them and send on the cryptocurrency. Initially this was in furtherance of an investment, and as time went on it was to make payments to the scammer, believing she was in need of financial assistance for a variety of reasons.

The payments Mr H made to purchase cryptocurrency to send towards the scam came from his joint Halifax current account, and he has a linked complaint with our service brought in joint names. So I won't comment on that here beyond noting that those payments took place between August 2023 and January 2024. This complaint is about Halifax's actions in relation to Mr H's credit card and a loan he agreed with them.

Mr H made several 'money transfers' from his Halifax credit card, into his joint account, before sending those funds on – I've detailed these below. In December 2023 Mr H also borrowed £2,000 over a 12 month period, these funds were also credited to his joint account before being sent on.

Date	Payment	Amount
4 September 2023	Money Transfer to Joint Account	£2,500
21 September 2023	Money Transfer to Joint Account	£2,410
8 November 2023	Money Transfer to Joint Account	£1,150
3 December 2023	Money Transfer to Joint Account	£290
5 December 2023	Money Transfer to Joint Account	£445
8 December 2023	Money Transfer to Joint Account	£725
12 December 2023	Money Transfer to Joint Account	£440

One of our Investigators has already set out that he didn't think Halifax had treated Mr H unfairly or that they otherwise needed to do more. Mr H disagrees and has asked for an Ombudsman to review his complaint.

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.

Credit Card

Halifax's first obligation is to follow Mr H's payment instructions to enable him to make use of his available credit. But, they should also monitor the accounts they provide with a view to protecting their customers from the risks of fraud, scams and the misappropriation of funds. So, there will be occasions where it's appropriate for Halifax to take some additional steps before processing payments that might represent an increased risk.

Whilst I understand that money transfers from a credit card can be an expensive way of borrowing, I don't think Mr H instructing the transfers he did was so suspicious or indicative that Mr H might be at risk of being the victim of a scam, such that Halifax should've done more than they did. This is a valid facility offered by many credit cards and the funds went to Mr H's own account. I don't think this is something that should've put Halifax on notice that Mr H might be being scammed or that they otherwise should've done more before making the transfers.

Loan

Mr H seems to accept that the loan was affordable for him. But for completeness, I don't think Halifax lent irresponsibly for the £2,000 loan. The monthly repayments were for around £185 and Mr H's joint account was receiving regular monthly credits totalling over £5,000. There was also sufficient headroom in his monthly expenditure where I don't think it was unreasonable for Halifax to conclude that Mr H would be able to afford the repayments in a sustainable way. Indeed, the loan seems to have been paid off at the end of its term without issue.

Similarly, I also don't agree that the taking of such a loan ought to have indicated that Mr H was at potential risk of financial harm. Mr H said the loan was for 'miscellaneous' purposes. It isn't unusual for someone to take lending for one off or unforeseen expenses. And there was nothing about the loan application that means I think Halifax should've had fraud or scam concerns.

Mr H has also said that he was vulnerable at the time of the scam. And there is evidence to support that in October 2023 he informed them that he had some mental health problems, but that this was a long-term issue which didn't impact his ability to manage his finances (as well as a later disclosure about some medication he was taking). I've taken account of this, but I don't think it changes whether I'd have expected Halifax to have done more than they did.

I agree that Halifax should be aware of and support Mr H in relation to any vulnerabilities. But in the circumstances of this complaint, I just don't agree that this can fairly involve the level of oversight or involvement in the decisions he made that Mr H seems to expect. And even if I'm wrong on this point and Halifax ought to have made additional enquiries with Mr H due to his vulnerabilities, I'm not persuaded this would've stopped the scam. This is primarily

due to the closeness of the relationship (as Mr H believed it to be) with the scammer. As early as August 2023 the chat history shows that they were expressing their love for each other and talking about starting a family. I think it's more likely than not that Mr H was so influenced by the scammer that he would've continued despite any reasonable level of intervention from Halifax. So overall, for the reasons I've set out, I'm not persuaded that Halifax are responsible for Mr H's loss due to not having done more.

Summary

I'm naturally sympathetic to Mr H for him falling victim to a cruel scam. But for the reasons I've given, I don't think (in the context of his loan application or credit card use) that Halifax treated him unfairly or that there is a reasonable basis upon which I could fairly require them to do more to resolve this complaint.

My final decision

For the reasons outlined 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 Mr H to accept or reject my decision before 5 January 2026.

Richard Annandale
Ombudsman