

The complaint

Mr A complains that Bank of Scotland plc, trading as Halifax, won't refund the money he lost when he was the victim of a scam.

What happened

In July 2025, Mr A was looking to book a travel package online and received a message from someone who said they worked for a travel agent. He discussed what he was looking for and agreed the travel details with the agent. And, after looking up the travel agent online, Mr A then made a payment of £500 from his Halifax account to account details the agent gave him, as a deposit for the travel.

Mr A then became suspicious that the price he had been offered was too good to be true. He looked into the travel agent further and discovered it was a fake company, so reported the payment he had made to Halifax.

Halifax investigated but said the payment wasn't covered by the relevant reimbursement rules, and it hadn't made an error in making the payment. So it didn't agree to refund the money Mr A had lost. Mr A wasn't satisfied with Halifax's response, so referred a complaint to our service.

One of our investigators looked at the complaint. They thought Halifax was correct that the payment wasn't covered by the reimbursement rules, and didn't think Halifax should have done anything further. So they didn't think it should have to refund the payment Mr A had made. Mr A disagreed with our investigator, so the complaint has been passed to me.

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 2024, the Payment Systems Regulator required the Faster Payments Scheme operator to introduce rules to require firms to reimburse customers who had been the victims of scams in certain circumstances. But these Reimbursement Rules only apply to payments sent to a "relevant account", which is defined as:

"An account that is provided to a Service user, is held in the UK, and can send or receive payments using the Faster Payments Scheme"

And a "Service user" is defined as:

"A person who used a service provided by a payment system and is not a participant in that payment system."

The account Mr A made the payment to was in the name of a money transfer service, who then used the funds to make a payment to another person. Mr A's payment was not credited

to an account being provided to a customer of the money transfer service, and the money transfer service doesn't offer accounts that can send or receive faster payments.

So the account Mr A made the payment to doesn't meet the definition of a "relevant account", and so the payment he made is not covered by the Reimbursement Rules and Halifax is not required to reimburse him under these rules.

In addition to its responsibilities under these Reimbursement Rules, the regulatory landscape, along with good industry practice, sets out requirements for firms to protect their customers from fraud and financial harm. So, in line with this, I think Halifax should have been monitoring accounts, had systems in place to look out for unusual transactions and, in some circumstances, have carried out additional checks before processing payments.

But the payment Mr A made here wasn't for a particularly large amount, or an amount I'd have expected Halifax to identify as suspicious based on its size alone. Mr A had made a number of payments for similar and larger amounts in the previous months, so the payment wasn't unusual for his account. And it didn't use up a suspicious proportion of the available balance in his account or leave the balance of his account at a particularly unusual level.

So I don't think it's unreasonable that Halifax didn't take any further steps or carry out any additional checks before allowing the payment Mr A made here to leave his account.

Halifax has paid Mr A £30 as compensation for delays in responding to his complaint. And, from what I've seen, I think this is fair and reasonable compensation for the distress and inconvenience this delay caused him. And so I don't think Halifax should be required to pay anything further.

I appreciate that Mr A has been the victim of a cruel scam and I sympathise with the position he has found himself in. But I can only look at Halifax's responsibilities and, for the reasons I've set out above, I don't think it's required to reimburse him or that anything I would reasonably have expected it to have done here would have prevented the loss he suffered. And so I don't think it would be fair to require Halifax to refund the payment Mr A made here.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 30 April 2026.

Alan Millward
Ombudsman