

## The complaint

Mr K complains that Bank of Scotland plc, trading as Halifax, won't refund the money he lost as a result of a job scam. Mr K is represented in this complaint, but I'll refer to him as it's his complaint.

## What happened

The detailed background to this complaint is well known to both parties.

Mr K explains that, in November 2022, he was a student and desperate for some income as he was struggling financially. Also, he had additional stress as he was studying for exams.

On 22 November 2022, Mr K was contacted on social media by a scammer, who pretended to be a recruiter. The scammer asked Mr K if he was interested in a flexible part-time online commission-based job with Company Z (an impersonation of a legitimate company).

The job was completing basic hotel reviews, aimed at boosting search engine optimisation, for high commission. Mr K was told he could earn £50 to £300 per day, and he was recruited and given access to a professional looking company platform.

Mr K was told he had to use a crypto company to pay to complete tasks and receive commission and Mr K used an account he already had with a legitimate crypto exchange called Firm B.

After completing sets of tasks, Mr K received some credits which added to his belief the job was genuine. To complete more tasks and earn commission Mr K had to top up his work account and to do this he borrowed money from friends and family.

The following table shows the credits he received and the payments he made:

Payment Number / Credit	Date	Time	Payment method	Payee	Amount
1	23/11/2022	11:32	Faster Payment	Mr K's account with Company B	£25.00
Credit	23/11/2022				£79.34
Credit	24/11/2022				£490.54
2	24/11/2022	12:41	Card	Mr K's account with Company B	£60.00
3	24/11/2022	14:09	Card	Mr K's account with Company B	£15.00
4	24/11/2022	15:42	Card	Mr K's account with Company B	£125.00
5	24/11/2022	16:32	Card	Mr K's account with Company B	£206.00
6	25/11/2022	13:11	Card	Mr K's account with Company B	£512.00
7	25/11/2022	15:06	Card	Mr K's account with Company B	£960.00
8	25/11/2022	21:21	Card	Mr K's account with Company B	£2,400.00

9	26/11/2022	12:29	Card	Mr K's account with Company B	£130.00
10	27/11/2022	16:33	Card	Mr K's account with Company B	£1,000.00

Mr K continued to top up his fake Company Z account and got to the point where he ran out of money, and this is when he realised he'd been scammed.

In January 2025, Mr K complained to Halifax seeking a refund of his losses together with interest and compensation. This is because he considered that they failed to intervene and protect him.

Halifax rejected all but one (payment 1) of the payments Mr K claimed as they said the Contingent Reimbursement Model (CRM code) didn't apply to the others, so Mr K brought his complaint to our service. But our investigator thought the payment amounts were too low to have warranted a Halifax intervention.

As Mr K remains dissatisfied his complaint has been passed to me to look at.

**I issued a provisional decision on 23 January 2026, and this is what I said:**

*I've considered the relevant information about this complaint.*

*My provisional decision has the same outcome of that reached by our investigator but there is a difference in the reasoning. So, I'd like to give both parties a further opportunity to respond.*

*The deadline for both parties to provide any further comments or evidence for me to consider is 6 February 2026. Unless the information changes my mind, my final decision is likely to be along the following lines.*

*If I don't hear from Mr K, or if they tell me they accept my provisional decision, I may arrange for the complaint to be closed as resolved without a final decision.*

*What I've provisionally 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, my provisional decision is not to uphold this complaint, and I'll explain why.*

*I should first say that:*

- *From reviewing the file, I'm satisfied that Mr K was the victim of a cruel job scam and I'm very sorry that he had this experience and lost a significant amount of money here.*
- *In making my findings, I must consider the evidence that is available to me and use it to decide what I consider is more likely than not to have happened, on balance of probabilities.*
- *I considered the CRM Code, which require firms to reimburse customers who have been the victim of a scam in most circumstances. However, this code doesn't apply here, due to Mr K making the payments by card.*
- *Halifax don't appear to have been made aware of the scam until 2025. As Mr K's funds were passed on to a crypto company and then paid to the scammers' crypto account, where they would've been emptied, I wouldn't have expected Halifax to have been able to recover his funds even if they were immediately*

made aware.

- *The Payment Services Regulations 2017 (PSR)*

#### *PSR*

*Under the PSR and in accordance with general banking terms and conditions, banks should execute an authorised payment instruction without undue delay. The starting position is that liability for an authorised payment rests with the payer, even where they are duped into making that payment.*

There's *no dispute that Mr K made the payments here, so they are considered authorised.*

*However, in accordance with the law, regulations and good industry practice, a bank should be on the look-out for and protect its customers against the risk of fraud and scams so far as is reasonably possible. If it fails to act on information which ought reasonably to alert a prudent banker to potential fraud or financial crime, it might be liable for losses incurred by its customer as a result.*

*Banks do have to strike a balance between the extent to which they intervene in payments to try and prevent fraud and/or financial harm, against the risk of unnecessarily inconveniencing or delaying legitimate transactions. So, I consider Halifax should fairly and reasonably:*

- *Have been monitoring accounts and any payments made or received to counter various risks such as anti-money laundering and preventing fraud and scams.*
- *Have systems in place to look for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which banks are generally more familiar with than the average customer.*
- *In some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, before processing a payment, or in some cases declined to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.*

*With the above in mind, I looked closely at all the payments to consider whether Halifax should've recognised any financial harm risks and put in place interventions to ask probing questions, provide education, warnings and detect a fraud or scam.*

*I don't think, on their own, any of the amounts would've looked unusual or out of character and warranted an intervention. This is because:*

- *Crypto payments were (and still are) legal and common and Halifax process thousands of such payments each day.*
- *It wasn't until after 2022 that crypto payments carried an elevated risk and job scams grew and banks would've recognised the clever tactics for such a scam.*
- *As mentioned above, Halifax have to strike a balance between the extent to which they intervene in payments to try and prevent fraud and/or financial harm.*
- *Although I appreciate the payments were large to Mr K, none of them were particularly high and he had previously made payments up to £1,000.*

*Regarding the frequency and pattern of the payments on 23 November 2022, although this was different to Mr K's normal banking activity, I also don't think this would've looked unusual or concerning to Halifax. This is because:*

- The four payments (2,3,4 and 5) only totalled £406.*
- There was a time gap between the payments and customers may want to process several payments in a day to a legitimate company.*
- Credits for a greater amount preceded the payments.*

*The following day there were another three payments (6,7 and 8) that were spaced out during the day, and I found the cumulative spend – of £3,872 – to be higher than Mr K would normally spend with his highest recent spend being £1,000. So, at the point of the highest payment (payment 8 for £2,400) I would've reasonably expected to have seen a Halifax on-line intervention to enable Mr K to protect himself from fraud or scams.*

*There were only two more payments (9 and 10) after payment 8, and as there was now a reduction of daily payments in both number and amounts, I don't think a further intervention would've been necessary.*

*I then considered what type of intervention I would've expected to have seen from Halifax, back in 2022, at payment 8, due to the cumulative payments to one payee being higher than he would normally make.*

*I think this would've been an on-line written intervention – one which would give him warnings and signpost him to educational information.*

*Having considered that the scammers used the name of a legitimate company, and he believed he was working for them, I think it unlikely that this type of warning would've resonated with Mr K. I say this because in 2022 he would've most likely received the following type of warning and information which would've been aimed at investments:*

- Scammers might call or message you with an opportunity.*
- Research the company and broker.*
- Does the investment sound too good to be true?*
- If returns sound high risk, or risks are downplayed, it could be a scam.*

*But Mr K was falling victim to a job scam, not an investment scam. So, whilst the content of the warning would've related to common investment scams at the time, it wasn't relevant to him, as he was tricked into believing he was being employed by a reputable company.*

*The warning may also have signposted him to other common scams. Although job scams were increasing in prevalence in 2022, intelligence and warning were being formulated and I think it more likely than not that both the education and warnings, where making crypto payments, would've been about investment scams.*

*I appreciate Mr K thinks that probing questions, on a human intervention, would've likely unravelled the scam. However, for the reasons mentioned above – including crypto not having an elevated risk in 2022 and the amounts and spending patterns not being significant fraud / scam indicators – I don't think it would've been proportionate for Halifax to have implemented a stronger type of warning.*

*Regarding Mr K's vulnerability at the time of the scam, although I'm very sorry to hear about the considerable stress he was under and I can understand that this made him more susceptible to the scam, I can't see that he approached Halifax to discuss his situation together with banking risks and mitigation they could possibly put in place.*

*So, having considered the above and all the information on file, while I'm genuinely very sorry that Mr K suffered this financial loss and traumatic experience, I don't think it is fair and reasonable for Halifax to be held responsible for his financial loss.*

*My provisional decision*

*For the reasons mentioned above, my provisional decision is not to uphold this complaint against Bank of Scotland plc trading as Halifax.*

*This is subject to any comments that either Mr K or Bank of Scotland plc trading as Halifax may wish to make.*

*These must be received by 6 February 2026.*

### **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.

Further to my above provisional decision with a deadline of 6 February 2025, I only received a response from Halifax and they said they didn't have anything to add.

So, as no further arguments or evidence have been produced in response to my provisional decision my view remains the same. I therefore adopt my provisional decision and reasons as my final decision.

### **My final decision**

For the reasons mentioned above, my final decision is not to uphold this complaint against Bank of Scotland plc trading as Halifax.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 9 March 2026.

Paul Douglas  
**Ombudsman**