

The complaint

Ms B complains that Bank of Scotland plc trading as Halifax (“Halifax”) won’t refund payments she made as part of a scam.

What happened

The background to this complaint is well known to both parties, so I won’t repeat it in detail here. But in summary, I understand it to be as follows.

In March 2025, Ms B employed the services of a company to move and store her possessions while she moved property. This company will be further referred to as “Company A”.

Ms B was dissatisfied with Company A’s conduct and contacted Halifax to request they assist her with resolving the issues.

Unhappy with Halifax’s response, Ms B raised a formal complaint. Halifax looked into the matter but didn’t uphold Ms B’s complaint as they felt they’d handled the situation appropriately. Dissatisfied with this response, Ms B referred her complaint to our service.

An investigator looked into Ms B’s complaint but didn’t uphold it on the basis that they felt Halifax had acted fairly and reasonably in the circumstances.

Ms B disagreed with the investigator’s assessment and provided detailed submissions as to why she still believed she’d been the victim of a scam and that Halifax had acted unfairly.

As the complaint couldn’t be resolved by the investigator, it has been passed to me for a decision.

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.

Ms B has provided detailed submissions to our service in relation to this complaint. In keeping with our role as an informal dispute resolution service, I will focus here on the points I find to be material to the outcome of Ms B’s complaint. This is not meant to be a discourtesy to Ms B and I want to assure her I have considered everything she has submitted carefully.

In deciding what’s fair and reasonable in all the circumstances of a complaint, I’m required to take into account relevant: law and regulations; regulators’ rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time.

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 made, and attempted, were authorised so the starting position is that Halifax isn't liable for the loss incurred by Ms B.

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 a payment.

Taking these things into account, I need to decide whether Halifax acted fairly and reasonably in its dealings with Ms B.

Our investigator has already provided a very detailed assessment of Ms B's complaint and I agree with their outcome, and for broadly the same reasons.

Is Ms B entitled to a refund under reimbursement rules?

From 7 October 2024, Payment Services Providers in the UK are bound by the Faster Payments Scheme (FPS) reimbursement rules. Under these rules, most victims of authorised push payment (APP) scams should be reimbursed.

To decide whether Halifax should refund Ms B's payment, I've therefore considered whether this issue meets the reimbursement rules' definition of an APP scam.

The reimbursement rules define an APP scam in the following way:

“Where a person uses a fraudulent or dishonest act or course of conduct to manipulate, deceive or persuade a consumer into transferring funds from the consumer's relevant account to a relevant account not controlled by the consumer, where:

- The recipient is not who the consumer intended to pay, or*
- The payment is not for the purpose the consumer intended”*

The reimbursement rules also explain that private civil disputes are not covered. The rules define a private civil dispute as a *“dispute between a consumer and payee which is a private matter between them for resolution in the civil courts, rather than involving criminal fraud or dishonesty”*.

In order to reach my decision on this complaint, I've considered the purpose for which Ms B made, and Company A received, the payment. And, if there is a significant difference in these purposes, whether I can be satisfied that this difference was as a result of fraud or dishonesty.

It's clear that Ms B made the payment in order for Company A to collect and store her possessions. So, I've gone on to consider what purpose Company A had in mind and whether that was in line with the purpose Ms B made the payment.

The evidence provided by Ms B shows that Company A did collect and store her possessions. From there, it seems as though Ms B has concerns about the manner in which they've stored her items as well as having a belief that Company A are, in fact, fraudulent.

Because of this, I'm not persuaded that the purpose Company A received the payment deviated from that which Ms B made it. I should also state that the evidence Ms B has

provided from other third parties doesn't demonstrate that Company A are a fraudulent organisation or that they set out to defraud her.

Taking this into account, I'm not persuaded that Ms B's payment meets the definition of an APP scam as defined by the FPS reimbursement rules and that the payment forms part of a private civil dispute between her and Company A.

I'm not making a judgement as to whether Company A's business practices or behaviour was acceptable. I'm only looking at whether I can fairly hold Halifax liable under the FPS reimbursement rules. And, in this case, I don't believe I can.

I should also clarify that Ms B would not be able to raise a claim under Section 75 of the Consumer Credit Act 1974 for this payment as it was a faster payment and not a payment using a credit facility.

Should Halifax have done more at the time of the payment and after they were aware of Ms B's concerns?

As referenced earlier in my decision, Halifax has a duty to exercise reasonable skill and care, pay due regard to the interest of its customers and to follow good industry practice to keep Ms B's accounts safe.

I've listened to the call in which Halifax discuss the attempted payment in March 2025 with Ms B. During this call, it's clear that Ms B has numerous concerns with the conduct of Company A, so Halifax advise that she may wish to consider carrying out some further checks on the company before proceeding with the payment.

Halifax also advised that Ms B may wish to enquire about making the payment through other payment methods which provide greater protection. I believe that Halifax acted fairly and reasonably in the circumstances, based on the information available at that time.

Furthermore, as I'm not persuaded Ms B has been the victim of an APP scam or that Company A are fraudulent, I don't think it would've been proportionate or appropriate for Halifax to have carried out an investigation into the actions and legitimacy of them.

It's also important to note that investigations into such companies would be a matter for the police or Trading Standards. I'm also not persuaded that, based on the evidence available, that Halifax ought to have referred Company A to another body in order for an investigation to be commenced.

Lastly, Halifax has no obligation to protect its customers from civil disputes. As I don't believe Ms B is the victim of an APP scam, and that this is a civil matter between her and Company A, I'm satisfied that Halifax haven't failed any of their obligations or duties of care in relation to the payments or any investigation into Company A.

Halifax's overall handling of the situation

Ms B has numerous concerns with Halifax's overall handling of the situation. Again, I want to assure Ms B that I have considered all of her complaint points and evidence that she has provided, but I'll only be commenting on the points I find to be material to the outcome of her complaint.

Ms B is unhappy that Halifax didn't respond to correspondence she'd sent to senior members of staff. Such members of staff aren't typically best placed to deal with these matters, and the concerns of individual consumers are often best dealt with by a bank's

customer service or complaints departments. As that's the case, I don't think it unreasonable for the specific members of staff referenced by Ms B to have not responded to her correspondence.

Ms B complains that Halifax blocked her from complaining about the issue. I can see that when Halifax's final response on the complaint confirms they wouldn't respond to any additional correspondence on the matter.

As the additional correspondence related to the same matter, and she'd been advised no further correspondence would be responded to, I don't believe Halifax have acted unfairly in not responding to Ms B. I also find this to be fair given Halifax had already given their outcome and explained what Ms B could do, should she remain dissatisfied.

I'm also satisfied this demonstrates that Halifax hadn't blocked Ms B from complaining. Ms B is also unhappy that Halifax refused to pay Company A on her behalf. I don't think it reasonable for Ms B to expect a bank to bear the responsibility of making a payment, especially when the information she provided suggested that she was involved in a civil dispute with the company. Instead, I think Halifax's suggestion that Ms B make the payment by debit or credit card, which provides greater consumer protection than faster payments, to be fair and reasonable in the circumstances.

Overall

Overall, I'm not persuaded that Ms B has fallen victim to a scam, based on the evidence available. I appreciate this will be disappointing to Ms B, but I'm unable to say that Halifax are liable to reimburse her funds losses.

I'm also not persuaded that Halifax has handled the matter unfairly or that they should do any more to resolve this complaint.

My final decision

My final decision is that I do not uphold this complaint against Bank of Scotland plc trading as Halifax.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 6 May 2026.

Billy Wyatt
Ombudsman