

The complaint and background

Mr R, via a representative, complains that Bank of Scotland plc trading as Halifax didn't do enough to protect him when he fell victim to an investment scam in 2025, resulting in the loss of £13,800.

Our investigator didn't uphold the complaint. Though she concluded that Halifax ought to have intervened at the point of payment two, she wasn't persuaded this would have prevented Mr R's losses. This was because of the warnings that she believed had been provided by third parties and based on communication with the scammer.

Mr R's representative disagreed. So the complaint was passed to me.

I got in touch with Halifax informally to let it know how I was minded to proceed. I explained that I was minded to agree that Halifax ought to have intervened with the second payment – of £1,800 – as it brought the total amount paid to cryptocurrency that day to £3,800 which was uncharacteristic in size and nature. But, unlike the investigator, I couldn't see sufficient evidence that a tailored written warning *wouldn't* have been likely to make a difference.

I noted that Mr R had told a third-party bank that he was transferring funds to his own account, but as he was moving money into his Halifax account, this was accurate. The other third-party bank wasn't able to confirm whether Mr R had been presented with a warning but showed our Service what he would have seen if he had. However, if he'd answered in the same way – that he was transferring funds to his own account – he would have been presented with a safe account warning which wouldn't have been relevant. So I explained that I hadn't seen sufficient evidence that Mr R had been provided with any relevant warnings.

I also explained that, while the scammer had been talking in a group chat on a messaging service about avoiding mentioning investment in cryptocurrency, Mr R hadn't given any indication that he was willing to mislead his banks. Nor was he specifically asked to mislead or lie to his bank. So I didn't think that he had answered questions around this (by a third-party) incorrectly.

In summary, I felt that Halifax should have intervened at payment two and I hadn't seen sufficient information to persuade me that Mr R wouldn't have provided accurate answers to questions asked. And, though I recognised the payments were made through open banking, I felt that Halifax still had a duty to protect Mr R from the risk of financial harm and ought to have intervened.

Halifax responded to let me know its position hadn't changed. It said that it acknowledges our Service's approach that the use of open banking doesn't remove a firm's wider duty to be alerted to potential fraud risk but said the payment in question was a pull payment. So it said Halifax didn't have the same level of opportunity to intervene as it would with a push payment initiated directly through its own channels. So it didn't consider there had been a failing on its part and would look to defend the complaint.

I issued a provisional decision. In this, I said:

“As I’ve already outlined my thoughts above (and previously) around the point at which I consider Halifax ought to have intervened, and what I think would have happened if it had, I won’t repeat myself here. However, the remaining question seems to be around whether Halifax could reasonably have been expected to intervene, given that the payments were made via open banking.

Halifax has said that this was a pull payment and therefore it doesn’t have the same opportunity to intervene as it would with a push payment. Based on the evidence I’ve seen, I’d be inclined to disagree here – I can’t see that this wasn’t a push payment. And when following a customer’s instruction to make a faster payment (which an open banking payment is), a business (Halifax in this case) should exercise reasonable skill and care, pay due regard to the interest of its customers, and follow good industry practice to keep customer’s accounts safe.

Halifax, as the account servicing payment service provider, can intervene on open banking payments for fraud detection and prevention purposes in the same way it would with any other faster payment that displays risk factors. And, as explained previously, I’m persuaded Halifax ought to have been concerned about the second payment.

So, I consider that Halifax ought to have intervened from the second payment and I’ve not seen sufficient evidence to persuade me that this wouldn’t have made a material difference to Mr R’s losses. On that basis, I’m minded to uphold the complaint from payment two

I’ve thought about whether Mr R should bear any responsibility for his losses. I recognise that Mr R has told us that he gave incorrect information about his reasons for taking out loans to fund the purported investment. But I’d be inclined to say that there’s a difference between providing inaccurate information to obtain funds to invest in what he believed to be a legitimate opportunity, and misleading his bank when asked a series of questions relating to the purpose of the payment he was making, alongside being presented with a tailored warning based on the answers provided. So I’m not currently persuaded that it would be fair to hold Mr R liable for his losses.”

Mr R responded to accept my provisional decision. Halifax didn’t respond by the deadline given.

So I’m now in a position to issue my final 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.

As neither party provided any new information for me to consider by the deadline given, I see no reason to depart from my provisional findings.

My final decision

For the reasons given above, my final decision is that I uphold this complaint in part. I direct Bank of Scotland plc trading as Halifax to pay Mr R £11,800, plus 8% simple interest per annum from the dates of loss to the date of settlement.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr R to accept or reject my decision before 22 May 2026.

Melanie van der Waals

Ombudsman