

The complaint

Mr F complains Lloyds Bank PLC (“Lloyds”) didn’t do enough to protect him when he fell victim to a scam.

What happened

Mr F said he’s been involved in a group chat primarily focused on investing when an investment opportunity in cryptocurrency was discussed. Mr F said several members of his family were taking part in the investment and were very positive about it. He said he checked the website relating to the opportunity which appeared genuine, and his brother who was already investing had withdrawn £5,000 in profit which added legitimacy to the opportunity.

Mr F decided to invest and transferred £20,500 over several payments from his account with Lloyds to an account he held with another firm, before sending it on to the alleged scam. Mr F told us he realised he’d been scammed when a friend also taking part in the investment opportunity, told him their bank had intervened when he tried to make a payment towards the investment opportunity and told him it was a scam. At this point Mr F attempted to withdraw his funds but couldn’t.

Mr F complained to Lloyds, and his complaint wasn’t upheld. Unhappy with Lloyds’ response, Mr F raised the matter with the Financial Ombudsman. One of our Investigators looked into the complaint and wasn’t persuaded Mr F had lost funds as the result of a scam.

As an agreement could not be reached, the complaint has been passed to me for a 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.

I’m sorry to disappoint Mr F further but I’m unable to uphold his complaint, for broadly the same reasons as our Investigator, I’ll explain why.

In line with the Payment Services Regulations 2017, consumers are generally liable for payments they authorise. Lloyds is expected to process authorised payment instructions without undue delay. But it also has long-standing obligations to help protect customers from financial harm from fraud and scams. Those obligations are however predicated on there having been a fraud or scam. And so, it would only be reasonable for me to consider whether Lloyds is responsible for the loss Mr F claims to have suffered if, indeed, he has been scammed. I’ve therefore considered whether Mr F was a victim of a scam.

It’s important to see evidence that a customer has been scammed and that, for example, it isn’t a case of a failed investment. In this case Mr F told us he was the victim of an investment scam but hasn’t been able to evidence the scam or how it unfolded. Mr F wasn’t in contact with the scammer, his brother was but he hasn’t provided any evidence of the conversations he had with his brother regarding the investment opportunity.

When considering if a customer has lost funds as the result of a scam it's important to understand the payment journey from the source of the funds to when they were passed on, and lost, to the scammer. This is particularly important as the payments Mr F made from his Lloyds account were to another of his accounts and so isn't evidence that Mr F lost control of his funds.

Mr F provided a spreadsheet of transactions made from his cryptocurrency wallet which has entries for the time Mr F says the scam occurred. Our Investigator requested official statements of Mr F's cryptocurrency account which weren't provided. Mr F also sent us a screenshot of his cryptocurrency wallet, but this doesn't have information to identify Mr F and doesn't show he moved funds on to a scammer. Like the Investigator, I don't think this is enough to show that Mr F has lost money to a scam.

Based on the evidence Mr F has provided I can't say with any certainty he has lost funds as the result of a scam, only that he moved funds from his account with Lloyds to another of his accounts and potentially used this to purchase cryptocurrency.

This is not to say I don't believe Mr F, but I do think it's reasonable for him to provide some evidence to support his version of events about the circumstances of the alleged scam. I have sympathy with the situation he finds himself in however, in the absence of that evidence I can't say that it would be reasonable for Lloyds to be held liable for any of the losses Mr F says he's suffered.

Mr F said he was astounded to be told by Lloyds during the call where he reported the scam that his claim wouldn't go anywhere. Unfortunately, I haven't been able to listen to the call and having requested Lloyds provide it to us again it hasn't been within the deadline set. I don't think I need to listen to the call and have taken Mr F on good faith regarding his testimony about the call. I can't comment fully, having not heard the call, but based on Mr F's testimony even if Lloyds had done what he said, which I appreciate will have been frustrating for him at an already distressing time, it has since apologised. And his claim wasn't successful with Lloyds or us, so I can't see any service issues have impacted the outcome of his claim.

I'm sorry to hear of what's happened to Mr F and the impact it's had, and continues to have, on him, but without evidence a scam took place I can't consider Lloyds' actions with regard to the payments he says he made towards the investment.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 18 July 2025.

Charlotte Mulvihill
Ombudsman