

## **The complaint**

Mr M complains that Lloyds Bank Plc blocked a payment he made online.

## **What happened**

Mr M says he was in the process of purchasing a car on 16 May 2024, but that Lloyds blocked the payment. He says he incurred additional costs as a result of the extra time taken and wants compensation for the stress caused.

Lloyds says that the payment was blocked as a result of its security checks and that the process is there to protect the consumer. It says, in this case, the systems worked as they were meant to.

Our investigator did not recommend the complaint should be upheld. She said she was satisfied that the bank had not made an error and had acted reasonably by blocking the payment.

Mr M responded to say, in summary, that his good friend was at the point of purchase, had driven the car and had the keys in his hand. He questioned the potential for fraud, given that no money had changed hands until that point.

## **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.

When Mr M's initial attempt to send the money failed, Mr M called the Fraud Operations team at Lloyds. I have listened to the call and Mr M explained that he'd spoken to the seller, had seen live pictures, and had carried out various checks including a Hire Purchase Investigation (HPI) check on the car. After initially saying he'd test driven the car himself, he confirmed that it was actually his friend who was there, as he was a recovery driver, but that his friend was happy with the car.

Whilst Mr M was confident that the purchase was legitimate, Lloyds also has an obligation to protect its customers from potential fraud. During the course of the conversation, it became evident that:

- Mr M was in a hurry to complete the transaction;
- He was not physically there;
- Some of what he said was contradictory e.g., asserting that he'd test driven the car, when that was not the case;

- The transaction was unusual based on the typical movements on his account statements;
- Mr M had made contact with the seller through a social media platform;
- He'd had no prior transactions with the seller;
- The car was being sold from an MOT centre;
- The beneficiary account was a personal bank account.

As per its terms and conditions, Lloyds "*can stop you making payments, if we reasonably think it is necessary...*". Based on the above circumstances, I find Lloyds had reasonable grounds to be suspicious of the payment and did not make an error when blocking it.

I acknowledge that Mr M eventually bought the car with a brief loan from his brother, and says he now has the car in his possession. However, it doesn't follow that that means Lloyds did anything wrong when it blocked the payment based on all the evidence it had at the time.

### **My final decision**

My decision is that I do not uphold this complaint

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 3 October 2024.

Amanda Williams  
**Ombudsman**