

The complaint and background

Mr H complains that Lloyds Bank PLC (“Lloyds”) didn’t do enough to protect him when he fell victim to an investment scam in October 2023, resulting in the loss of over £19,000.

Our investigator didn’t uphold the complaint. Although he found that Lloyds ought to have intervened further, he wasn’t persuaded this would have prevented Mr H’s loss. That was because, during several calls between Mr H and Lloyds, Mr H had denied having been contacted out of the blue or that there was any third-party involvement. So, had Lloyds intervened further, he thought it likely that Mr H would have responded similarly to any further questioning.

Mr H, via his representative, disagreed. He thinks Lloyds should have questioned him further, particularly when he’d indicated that he was trying to avoid further intervention calls by making two smaller payments rather than one large one.

So the complaint has been passed to me to decide.

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.

Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, I agree Lloyds ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I note that Lloyds intervened with several of Mr H’s payments, resulting in four phone calls. I wouldn’t necessarily have expected a human intervention from Lloyds on each of these occasions, such as the second payment which was for £2,400. However, as a call took place, I would have expected Lloyds to go further with its questioning. But, had Lloyds enquired better about the payments and why they were being made, I’m not persuaded this would have prevented Mr H’s loss.

I say this because it’s clear from the communication I’ve been provided with that Mr H trusted the scammer. And when questioned by Lloyds, he gave inaccurate answers. For example, he said on multiple occasions that he hadn’t been contacted out of the blue and that no third-party was involved in or helping with the transactions. Evidence provided also states that he said the money wasn’t being moved on from his cryptocurrency wallet, and that he hadn’t been told about any opportunities that appeared too good to be true. But Mr H acknowledges within his communication with the scammer *“This all just seems too good to be true, like a random beautiful girl accidentally messages me and helps me make some crazy trades to make lots of money.”* I’m persuaded that Mr H considers the contact to have been out of the blue and that a third-party is helping him.

It appears that Mr H was answering in such a way so as to avoid further questioning as he wanted to ensure the payments were processed. Mr H has said that, having made Lloyds

aware during a call that he was trying to make two smaller payments rather than one large one to avoid further intervention calls, it should have taken this opportunity to question him further. Had Mr H answered the other questions accurately, this may have been a cause for concern. But as he chose to mislead Lloyds, for example by saying that there was no third-party involvement, I don't consider this alone was enough for Lloyds to be concerned.

So, I'm persuaded that if there had been better questioning, Mr H would have continued to answer questions in such a way as to avoid alerting Lloyds to what was really happening. It appears to me that Mr H was being manipulated by the scammer into investing and therefore he said what was needed to ensure his payments were processed.

While Mr H has undoubtedly been the victim of a cruel scam, I can only uphold his complaint if I'm satisfied Lloyds' failings made a material difference to what happened. But, for the reasons given, I'm not persuaded they did.

My final decision

For the reasons given, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 14 August 2025.

Melanie van der Waals
Ombudsman