

The complaint

Mr G complains that Lloyds Bank PLC ('Lloyds') won't refund the money he lost to a job scam.

He's represented by a firm of solicitors. To keep things simple, I'll refer to Mr G throughout this decision

What happened

In summary, Mr G says he found an advert for a job opportunity through a recruitment site. He registered his interest and was then contacted by someone about the 'job'. He was told the work involved him reviewing popular phone *apps* and that he'd receive commission for completing sets of 'tasks'. He later discovered he'd connected with a scammer.

As part of the process he was asked to deposit his own funds to clear 'negative balances' and withdraw his earnings. These deposits were paid in cryptocurrency which he bought by sending money from his Lloyds account to his account with a legitimate crypto-exchange. The cryptocurrency was then sent from there and lost to the scam.

He realised he'd been scammed when the scammer continued to ask for 'fees' and the communication became threatening when he questioned these. By that time, about £3,600 had been lost across a series of payments between July and August 2023.

A complaint was raised and referred to our Service. Our Investigator didn't uphold it. In brief, she thought there was enough for Lloyds to have intervened on a payment of about £2,481 on 29 July 2023. But she didn't think a proportionate intervention (a written warning tailored to cryptocurrency investment scams) would have resonated and prevented Mr G's losses.

As the matter couldn't be resolved informally, it's 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 done so, I've reached the same conclusions as the Investigator and for similar reasons.

- There's no dispute Mr G was scammed and I'm sorry about the impact the whole experience has had on him. It's also not in dispute he authorised the payments from his account. So, while he didn't intend the money to go to a scammer, under the Payment Services Regulations 2017, he's presumed liable for his losses in the first place. And as the Supreme Court reiterated in *Philipp v Barclays Bank UK PLC*, banks generally have a contractual duty to make payments in compliance with the customer's instructions.

- There are, however, some situations where I consider that a firm (like Lloyds) taking into account relevant rules, codes and best practice, should reasonably have taken a closer look at the circumstances of a payment – if, for example, it's particularly suspicious.
- In this case, I don't think Lloyds needed to step in on the first three payments, looking at their values and the payees. But I agree there was enough for it to have been concerned when it came to the £2,481 payment on 29 July 2023. By that point, there had been an increase in spending and a pattern had started to develop. And, in my view, factoring in that the payment was to a crypto-exchange, Lloyds should have provided Mr G with a written warning tailored to *crypto-investment scams*. I'm mindful Lloyds can't reasonably be expected to prevent all scams or show warnings that cover all possible scenarios. But I think a warning, relevant to the more common crypto-related scams affecting many consumers at the time, would have been a proportionate response to the risk presented.
- A warning covering some of the key aspects of crypto-investment scams would generally be expected to warn against, for example, investments found on social media; celebrity endorsements; the use of remote access; brokers promising unrealistic returns. And, like the Investigator, considering Mr G was falling victim to a different type of scam (a 'job' scam), I'm not convinced such a warning (which I think would have been proportionate at the time) would have made a difference to what happened. I'm not persuaded it would have been enough to resonate with Mr G and help him see that what he was involved in was also a scam – and I can't hold Lloyds responsible for his losses in circumstances where it's unlikely it could have prevented them.

I'm again sorry Mr G was scammed. I appreciate the information he's shared with us about his circumstances and I'm mindful the scam has affected him deeply. But, for the reasons I've given, I don't find a proportionate intervention from Lloyds would have prevented his losses such that I can hold it liable for them. Nor do I find there were other significant failings on its part that would lead me to uphold this complaint. For completeness, in terms of recovery, there was little Lloyds could have done. As the payments were made by card to a legitimate merchant, a chargeback is unlikely to have succeeded given there's no dispute Mr G received the cryptocurrency as intended before it was sent and lost to the scam.

My final decision

For the reasons I've given, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 30 July 2025.

Thomas Cardia

Ombudsman