

## The complaint

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

He's being represented. To keep things simple, I'll refer to Mr B throughout this decision.

## What happened

The background is known to both parties, so I won't repeat all the details.

In summary, Mr B says that he connected with someone on a dating site. The conversation then moved to a messaging *app*. The subject of crypto-currency investments was brought up and he was persuaded to invest with their guidance. And believing he was dealing with a genuine and knowledgeable individual, he began making payments as instructed.

He started small at first but was then encouraged to invest more heavily on the basis that the more he held in his 'account' the greater the returns. To make the scam more convincing he was given access to a (fake) portal seemingly showing his 'deposits' and 'returns'.

He realised he'd been scammed when he couldn't later withdraw his funds and the scammer became unresponsive. By that time, around £25,000 had been sent from his Lloyds account across two payments on 4 October 2021. These were sent to his account with another bank ('M') and then used for the purchase of cryptocurrency from accounts he held with legitimate crypto-platforms. The cryptocurrency was then sent and lost to the scam. To note, some of the money came from savings and loans.

A complaint was raised in September 2024 and referred to our Service. Our Investigator didn't uphold it. In brief, she didn't think the payments were so unusual such that Lloyds should have intervened. And, considering a call Mr B had with Lloyds about an earlier payment block, she wasn't persuaded an intervention would have made a difference in any event. She thought Mr B trusted the scammer, was determined to make the payments, and would likely have alleviated any concerns Lloyds might have had.

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. These are the key reasons for my decision.

The starting position is that liability for an authorised payment rests with the payer, even where they're duped into making that payment. It isn't in dispute that Mr B made the payments in question, so under the relevant rules (the Payment Services Regulations 2017) they were authorised and Mr B is presumed liable for his losses in the first instance.

There are 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. But I'm not persuaded there was enough about the disputed payments here for me to find that Lloyds should have stepped in on concerns that Mr B was at a heightened risk of financial harm.

In reaching this view, I'm mindful the payments in question were sent to Mr B's account with M – a regulated and established payee he'd paid many times before throughout 2021 and not for insignificant amounts. I also note Mr B had sent significant payments to other payees too. For example, over £15,000 across three payments in late December 2020 and £8,000 across two payments in March 2021. It wasn't unusual for him to make multiple payments to the same recipient on the same day. It's not uncommon for loan funds from a lender to be moved on from that lender on drawdown and I don't think it ought to have been enough of a red flag for Lloyds here. And while it's true multi-stage scam trends have increased over the years, I'm satisfied it was reasonable for Lloyds to consider a range of factors in deciding if and how to intervene when these payments came about.

I've thought about Mr B's comments around why a proportionate intervention would have been successful in preventing his losses. As above, I don't think Lloyds needed to intervene at all. In any event, I don't overlook that when Mr B was questioned, as part of an earlier payment block, he confirmed he'd bought cryptocurrency before, had carried out his research, and was happy to make the payment. Importantly, when asked if he'd received any contact from anyone asking him to make the payment, he replied "no" and that it was his decision to send the money for his own investment. I can understand why Lloyds didn't go further given the replies it received and what it knew about the surrounding circumstances, and I'm not convinced things would have then played out very differently even if I were to say it should have later intervened on the payments in dispute.

I recognise Mr B was the victim of a cruel scam that's affected him deeply. I'm very sorry he went through that experience. I don't imagine he'd have gone along with any of it thinking he'd lose the money in the way he did. But, for the reasons I've given, I don't think it'd be fair to hold Lloyds liable for what happened. And, in terms of recovery, there was little it could have done given the funds were sent to Mr B's account with M and then 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 B to accept or reject my decision before 10 October 2025.

Thomas Cardia  
**Ombudsman**