

The complaint

Ms J complains that Lloyds Bank PLC (Lloyds) is refusing to refund her the amount she lost as the result of a scam.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Ms J has told us that she received a message from what appeared to be a recruiter working at a recruitment agency with details of a flexible remote working role. The following day Ms J received a message from another individual I will call "X".

X described the remote working role as a freelance position. Ms J would be working as an application data provider, increasing a company's app visibility, Ms J was required to sign up to an online platform using an invitation code and was provided with login details for training.

X suggested that Ms J should use a separate account for deposits and transfers and Ms J started to perform tasks related to the role but was soon required to add funds to carry out specific tasks. Ms J was then not able to withdraw funds and realised she had fallen victim to a scam.

Ms J has disputed the following payments that she made in relation to the scam from her Lloyds account:

Payment	Date	Payee	Payment Method	Amount
1	3 February 2024	Ms J	Open Banking	£10
2	3 February 2024	Ms J	Open Banking	£20
3	4 February 2024	Ms J	Open Banking	£20
4	4 February 2024	Ms J	Open Banking	£320
5	5 February 2024	Ms J	Open Banking	£120
6	5 February 2024	Ms J	Open Banking	£25
7	5 February 2024	Ms J	Open Banking	£420
8	6 February 2024	Ms J	Open Banking	£1,250

Our Investigator considered Ms J's complaint and didn't think it should be upheld. Ms J disagreed, so this 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.

It has not been disputed that Ms J has fallen victim to a cruel scam. The evidence provided by both Ms J and Lloyds sets out what happened. What is in dispute is whether Lloyds should refund the money Ms J lost due to the scam.

Recovering the payments Ms J made

Ms J made payments in relation to the scam via transfer. When payments are made by transfer Lloyds has limited options available to it to seek recovery. In any event the payments Ms J made from her Lloyds account were made to another account in her own name with another provider, so if any funds were available to be recovered, they would already be in another of Ms J's accounts and within her control.

Ms J has also confirmed that the funds she sent to her other account were then moved on and lost to the scam, so I am confident no funds would have remained in the payee account to be recovered.

Ms J has mentioned that Lloyds have responsibilities under the CRM Code that suggest she should receive a refund of the disputed payments. But the CRM Code only applies when domestic payments (as the result of a scam) are sent to another person. Here Ms J sent payments to an account held in her own name. And the scam occurred when she later moved her funds to the scammer. I'm satisfied the CRM Code wouldn't apply in this scenario.

Should Lloyds have reasonably prevented the payments Ms J made?

It has been accepted that Ms J authorised the payments that were made from her account with Lloyds, albeit on X's instruction. So, the starting point here is that Ms J is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Lloyds should have been aware of the scam and intervened when Ms J was making the payments. And if it had intervened, would it have been able to prevent the scam taking place.

The payments Ms J made in relation to the scam from her Lloyds account were all for relatively low values spread out over several days. The payments were also going to another account in Ms J's name, and it wasn't unusual for Ms J to send payments to other accounts in her own name from her Lloyds account. Payments made to other accounts in the same person's name are usually considered to have a lower risk factor as the customer is still in control of their funds when they reach the payee's account.

Considering the low risk associated with the type of payments Ms J made, and her account history, I don't think it was unreasonable that the payments Ms J made in relation to the scam didn't trigger Lloyds' fraud prevention systems prompting it to intervene.

With this in mind, I don't think Lloyds missed an opportunity to prevent the scam, and it is not responsible for Ms J's loss.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms J to accept or reject my decision before 10 October 2025.

Terry Woodham

Ombudsman