

The complaint

Mrs K complains that Lloyds Bank PLC did not reimburse the £5,000 she says she lost to a scam.

What happened

Mrs K says a friend introduced her to a Care Home company I'll refer to as 'X'. A representative from X said they could help Mrs K's husband with training and contracts in the care home field, for a fee. Mrs K transferred £500 and then £4,500 at the end of April 2023 to X's business account. However, she says that soon after this, X said their business account had been frozen and slowly stopped responding to her phone calls and messages.

Around six months later, Mrs K raised a scam claim with Lloyds who carried out an investigation under the Lending Standards Board's Contingent Reimbursement Model ("CRM") Code. Lloyds felt they did not need to provide an effective warning when Mrs K made the payments, as they were not unusual when compared to her genuine account activity. And they did not think that Mrs K had a reasonable basis to believe X was going to provide her with a genuine service, as she did not carry out any checks on the company before sending them money.

Mrs K disagreed and referred the complaint to our service. Our Investigator looked into the complaint and did not think they had seen enough to be satisfied a scam had occurred. Mrs K had not provided any evidence of her communications with X, or anything to show what she understood the purpose of the payments to be.

Mrs K disagreed with the outcome and forwarded two screenshots of communications she says was linked to the payments.

As an informal agreement could not be reached, the complaint has been passed to me for a final decision.

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.

The first thing I need to consider, is whether a scam occurred. Mrs K has said she was referred to X by a friend, who facilitated the agreement and acted as a go-between for the two parties. She says that she paid the £5,000 with the intention it would allow her husband to get contracts in the Care Home space.

In order for me to assess whether there has been dishonest deception on X's part, I need to be satisfied of what Mrs K understood the payments to be for. Following the view, Mrs K was able to provide two screenshots of conversations between herself and a third party. It should be noted the name that appears on the chat does not match the name of the friend who she said introduced her to X and instead seems to be related to the Scotland NHS. I recognise this does not mean it isn't the same individual.

The screenshots provided do not satisfy me that a scam has occurred in the way that has been described. In the messages, the third-party says the beneficiary bank highlighted the transfers Mrs K made as potentially fraudulent and was asking questions about them. A second screenshot shows the same third-party stating they will say it is an invoice for Mrs K's CQC application and they tell Mrs K to talk with her people and ensure the 'story collaborates'. This raises more questions than it answers and does not satisfy me that the payments were related to training in the Care Home space. It appears Mrs K was asked by the third party to follow a specific story about the payment, and it is not clear if this story was true or not.

We asked Mrs K for a full transcript of this chat, and any other chats she may have in relation to the payments, However, she has said she no longer has these available. With this in mind, I have no documentation of what the agreement between Mrs K and X was, no time stamped chats showing why or how this agreement was not fulfilled, or any clear evidence showing Mrs K was deceived and ultimately scammed. Because of this, I cannot agree that Lloyds has made an error when it did not reimburse Mrs K in the circumstances.

I have not seen enough to be satisfied Mrs K fell victim to a scam in the way she has described. I therefore do not direct Lloyds to reimburse her with the £5,000 she transferred to X.

My final decision

I do not uphold Mrs K's complaint against Lloyds Bank PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 4 June 2025.

Rebecca Norris
Ombudsman