

The complaint

Ms B and Mr W complain that Lloyds Bank PLC (“Lloyds”) haven’t protected them from losing money to a scam.

What happened

The background to this complaint is well known to both parties, so I won’t repeat everything here. In brief summary, Mr W has explained that in February 2024 he made a payment of £12,000 from his Lloyds account held jointly with Ms B for what he thought was a legitimate investment. Mr W subsequently realised he’d been scammed and got in touch with Lloyds. Ultimately, Lloyds didn’t reimburse Ms B’s and Mr W’s lost funds, and they referred their complaint about Lloyds to us. An Investigator here looked into things and didn’t recommend that the complaint be upheld. Ms B and Mr W didn’t accept this and asked for an Ombudsman’s decision, so the case has been passed to me for a 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.

I’ve focused on what I think is the heart of the matter. If there’s something I’ve not mentioned, it isn’t because I’ve ignored it. I haven’t. I’m satisfied I don’t need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Having done so, I agree with the Investigator’s conclusions for the following reasons:

- It isn’t in dispute that Mr W authorised the transactions in question. Ms B and Mr W are therefore presumed liable for the loss in the first instance. However, Lloyds is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.
- However, whilst I want to acknowledge my natural sympathy that Mr W was scammed and Ms B and Mr W lost this money, my role requires that I remain impartial. And where I can’t be sure about something I need to make up my mind on a balance of probabilities – in other words, based on what I think most likely would have happened taking into account all the available evidence and arguments. And having done so, unfortunately for Ms B and Mr W, I’m not persuaded that if Lloyds had intervened in this payment proportionately, before it was sent, that this most likely would have changed anything. I think it’s most likely that Mr W most likely would have made this payment anyway.
- I say this because when Lloyds spoke to Mr W on 1 March 2024 about a payment Mr W was attempting, Lloyds did ask Mr W about the transaction he was proposing

to make. And during this conversation, Lloyds told Mr W that its concern regarding investments was that typically scammers would try to persuade their victims to move their funds to a trading account or to invest on their behalf; that they'd normally reach out to you on social media; they'd offer really good returns; and that before proceeding with anything he should get a second opinion from friends, family and/or a financial adviser. It also asked him if he'd been asked to download any software or to not give Lloyds the full picture, and Mr W answered no to both of these questions. We know now that these answers from Mr W weren't accurate. And whilst I think Lloyds could have gone further and been even more explicit, ultimately I don't think Mr W was prepared to be upfront about what he was doing. The call recording reveals that he had reasonable sounding logic ready to explain why he'd borrowed money.

- I can also see from messages exchanged between Mr W and the scammer on 28 February 2024, that it appears the scammer could see (potentially from remote access software) that Mr W was on a call; the scammer asked Mr W whether he was "still waiting"; Mr W replied "Yes on phone"; and then the scammer responded "ok, if you need something I am here", and "just say why it has been stopped when other times it came through", and "if they ask what is the purpose you can say you buy crypto for your ledger, for savings reason". Such that it seems to me that Mr W was sadly likely under the spell of the scammer and scam, and that any proportionate intervention from Lloyds would likely have failed to prevent the payment on the basis that the scammer would likely have instructed Mr W how to handle his bank. And ultimately, viewed in conjunction with the call with Lloyds on 1 March 2024, in which, I'm satisfied, Mr W wasn't upfront and probably was intent on making the payment anyway, I don't think I could fairly say here that Lloyds ought reasonably be held responsible for this payment having been made and lost.
- I'm not persuaded there were any prospects of Lloyds successfully recovering the funds, given the money was ultimately used to purchase cryptocurrency from a legitimate provider, which was then sent on and lost to the scammers.

I've considered everything Ms B, Mr W and their representative have said. And I'm really sorry Mr W was scammed and that they lost this money. Despite my natural sympathy, however, I can't fairly tell Lloyds to reimburse them in circumstances where I'm not persuaded it reasonably ought to have been able to prevent the payment or to have recovered it.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B and Mr W to accept or reject my decision before 16 October 2025.

Neil Bridge
Ombudsman