

## **The complaint**

Mr T complains that Lloyds Bank PLC won't refund money he says he lost to a scam.

Mr T is represented by a firm, but for ease I have only referred to Mr T in this decision.

## **What happened**

The details of the complaint are well known to both parties so I won't repeat it all again here. In summary, from December 2019 to February 2020 Mr T made several payments totalling £19,044.70 to what he thought was a genuine investment.

Mr T saw an advertisement on social media regarding the investment opportunity and registered his interest with the firm. He was then contacted by someone claiming to be an accounts manager. Mr T purchased cryptocurrency before sending the funds on to the scammer. When he realised it was a scam he raised the matter with Lloyds but it didn't refund the money he lost or uphold his complaint.

Our investigator didn't think the complaint should be upheld. She thought Lloyds ought to have intervened but she was not persuaded that it could have prevented the loss even if it had done so.

Mr T didn't agree with our investigator, he thinks the bank should have intervened earlier than it did, he thinks the scam should have been uncovered when he first spoke to Lloyds' fraud department, he also says the second agent he spoke to ought to have asked probing questions and had they done so, the scam would have been uncovered.

As an 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.

Having done so, I agree with the outcome our investigator reached for the following reasons:

Taking into consideration the relevant regulatory rules and guidance, codes of practice and good industry practice, Lloyds should take steps to identify and where possible prevent sufficiently unusual or uncharacteristic payments to help protect its customers from financial harm resulting from fraud.

I think Lloyds ought to have intervened earlier than it did, as I find the value and frequency of payments ought to have raised concerns that Mr T might be at risk of financial harm from fraud. That said, I must also consider whether doing so would have impacted Mr T positively and ultimately prevented the loss he suffered. I'm not persuaded it would and I'll explain why.

Lloyds first intervened on 23 January 2020 when Mr T attempted to make an international

payment for £8,000. During this conversation the fraud agent made it clear they had concerns that the investment may be a scam. The agent highlighted key features of cryptocurrency investment scams many of which were relevant to Mr T's circumstances. Mr T agreed he would look into the matter before going further, his online banking was suspended and he was directed to attend a local branch with identification.

Mr T attended the branch a few days later where he spoke to the fraud department and asked for the payment to be cancelled. Crucially, he confirmed that he recognised it was a scam which is why he wanted the payment cancelled. He told the agent he had not made the payment via other means. Mr T also stated that the debit card payments he subsequently made directly to a cryptocurrency platform were not related to the scam but his own business. I find Mr T was able to alleviate any concerns the bank had, particularly as he confirmed he recognised the investment was fraudulent.

I find the questions the agent's asked and warnings given to Mr T appropriate. The questions asked by the bank must not amount to interrogation and considering that the answers Mr T provided appeared plausible and genuine, I would not expect further questioning. Where the bank is not provided accurate information, it makes it difficult for it to uncover a scam. Despite the warnings provided, Mr T went on to make a further payment.

It follows that had the bank intervened in earlier payments, on balance, I think it is likely Mr T would have responded to its intervention in a similar manner and I'm not persuaded Lloyds could have prevented the loss he incurred.

Mr T made both faster payments and debit card payments. As the faster payments were made to an account in his own name before eventually being sent on to the scammer, I find there were no prospects of recovering these funds. The debit card payments were to a legitimate merchant and a service provided, as such I'm not persuaded there were any prospects of recovering these funds either.

I've thought carefully about all that happened. I understand that Mr T had been the victim of a cruel scam and lost a significant sum of his money and I sympathise. But I could only uphold this complaint if I thought any errors on Lloyds' part would have made a material difference and I'm not persuaded they would. So, I cannot fairly or reasonably hold it responsible for the loss.

### **My final decision**

For the reasons outlined above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 16 October 2025.

Oluwatobi Balogun  
**Ombudsman**