

The complaint

Mr F complains that Lloyds Bank PLC won't reimburse him money he lost to a scam.

Mr F has brought his complaint with the assistance of a professional representative. For ease, I'll refer to their submissions as being from Mr F.

What happened

In November 2024 Mr F was looking to earn some additional income when he was approached on a social media platform by someone we now know was a scammer. The scammer told Mr F that he'd need to complete tasks in return for payment.

Mr F was initially able to withdraw small amounts for 'salary' and 'commission', which reassured him the job was genuine. But he was then tasked with 'super orders' which put his work account into a negative balance. To pay the money to the scammer, Mr F was told to use accounts in his own name with cryptocurrency providers. From there, he deposited money to the scammer for the super orders. When Mr F was unable to make any further withdrawals he realised he'd fallen victim to a scam.

In the period 14 November 2024 to 26 November 2024, Mr F made 14 payments from his account with Lloyds totalling £4,614.78 to his accounts with cryptocurrency providers, before sending money on to the scammer. In the same period Mr F received payments from the scammer of £737.48, which meant his loss was £3,877.30. Most of the payments were made by debit card, with the final three being faster payments to an account in his name.

Mr F complained to Lloyds but it said there wasn't any basis on which it would refund him the money or could have recovered the payments which had been sent to accounts in his name. It had intervened on the fourth payment (£154.63) just to confirm it was Mr F who had made the payment. He confirmed he had made the payment. The further payments were made in line with Mr F's normal account activity.

Mr F asked this service to look into his complaint. Our Investigator didn't think Mr F's payments looked suspicious such that Lloyds ought to have made additional checks before processing them, while noting that Lloyds had verified with Mr F that he'd made the fourth debit card payment. Our Investigator said that Lloyds couldn't reasonably have recovered Mr F's money.

Mr F didn't agree and asked for an Ombudsman's decision. In summary, he said that the transactions were out of character for his account, being to cryptocurrency providers, and should have triggered an intervention by Lloyds. He also said Lloyds had misled us to believe it had made a 'human' intervention when in fact he'd received an automated call just to confirm he'd authorised the fourth payment.

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 isn't in dispute that Mr F authorised the disputed payments. He is therefore presumed liable in the first instance. Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, Lloyds ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

There's a balance banks need to strike between identifying payments that could potentially be fraudulent and allowing customers ready access to their funds. And not all crypto-related payments are made as a result of a fraud or scam.

I've reviewed the payments that Mr F made to the cryptocurrency providers. Having considered when the payments were made, their value and who they were made to, I'm not persuaded Lloyds ought to have made enquiries of Mr F before processing them.

I've taken into account that Mr F made the payments over a period of just under two weeks and that he's pointed out he'd not previously made payments to cryptocurrency providers. But as I've said, not all crypto-related payments are made as a result of a fraud or scam and so I've considered the amount and pattern of the payments too.

The payments were for fluctuating, relatively low amounts and were interspersed with credits from the same cryptocurrency providers. The payments weren't made in quick succession.

The last three payments were made on a single day, with the highest single payment at £2,700 followed by two smaller payments of £35 and £5 respectively. They were made to an account in Mr F's name to which he had already made a payment and had received several credits.

I've considered whether any single payment or series of payments ought to have triggered a fraud alert and intervention by Lloyds. But overall I don't think there were sufficient grounds for Lloyds to think that Mr F was at a heightened risk of fraud when he made the transactions. So I can't fairly conclude it was at fault in processing the transactions in line with his instructions.

Lloyds did verify that Mr F had made the fourth payment. I'm not persuaded Lloyds misled us about this contact as he's suggested. It told us that it had called to verify he'd made the card payment, which is in line with Mr F's testimony and he also said it was an automated call. Lloyds has told us that it couldn't provide the recording of the call for technical reasons. But there's no dispute about the purpose of the call and so I don't need to listen to the call to fairly decide this complaint. I don't think the payment pattern ought reasonably to have triggered a fraud or scam intervention.

Finally, I don't consider Lloyds could successfully have recovered the payments, as Mr F had authorised them and they'd been credited to accounts in his name and used to purchase cryptocurrency. Only then was the money passed on to the scammers.

I am very sorry that Mr F has fallen victim to a cruel scam and I don't underestimate the impact this has had on him financially and personally. But for the reasons I've explained I can't fairly require Lloyds to compensate Mr F – in full or in part – for the money he lost to the scam.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 28 October 2025.

Amanda Maycock
Ombudsman