

The complaint

Miss C complains that Lloyds Bank PLC did not reimburse the funds she lost to a scam and did not handle her claim professionally.

What happened

Miss C has told us about two payments of £300 and £100 that moved from her Lloyds savings account to her Lloyds current account on 4 February 2025, before being moved out to an external account the same day. These payments were transferred out to another account in Miss C's name with a third party who I'll refer to as 'R'.

Miss C telephoned Lloyds on 2 March 2025 and said she did not recognise the payments and had not authorised them. After asking some questions about the device Miss C used and the account held with R, the Lloyds customer service adviser explained they felt it was more likely Miss C had authorised the payments herself and as they had gone to another account in her name, it would not be considered fraud even if she hadn't authorised them.

Miss C submitted a complaint the same day about the conduct of the customer service adviser. She felt they were rude and had not dealt with her appropriately when she said she was neurodivergent and asked to be transferred to a female customer service adviser. Miss C was offered £50 compensation in recognition of the distress and inconvenience that phone call had caused and she accepted the offer at that time. The £50 was paid into her account on 12 March 2025 and she received a final response letter explaining her complaint had been resolved but she could refer it to our service on 13 March 2025.

Miss C referred the complaint to our service as she still felt she should receive reimbursement of the £400 she did not authorise, and she did not agree the £50 compensation was sufficient. Our Investigator reviewed the complaint but did not provide an outcome on whether the payments were authorised or not as they were moved to another account in Miss C's name which are controlled by her before they were transferred from that account. They also did not agree Lloyds dealt with Miss C unreasonably when it did not intervene on either payment before they were processed. After listening to the phone call, they did agree that the customer service adviser could have been more understanding and recommended a further £50 compensation for the distress and inconvenience this caused.

Miss C felt that how the customer service adviser dealt with her meant that Lloyds breached its duty to make reasonable adjustments under the Equality Act 2010 and she felt more compensation was therefore due. She also felt that due to how the customer service adviser dealt with her meant she was unable to pursue a claim with R in a timely manner, and affected her ability to recover her funds. Finally, she requested reimburse of the £400 as she maintained she did not authorise the payments. As an informal agreement could not be agreed, the complaint has been assigned 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.

It should be noted that Miss C has also submitted a complaint with our service against R for recovery of the £400 she lost which I will deal with separately. But it may be necessary to review evidence provided across both complaints.

In Miss C's complaint against R, she has provided evidence that she *did* authorise the payments from her account with R to an individual for ointments used in spiritual healing, but she did not receive these goods so felt she had been scammed. This therefore suggests that it is likely Miss C also authorised the disputed payments from her Lloyds account to her account with R to then transfer to the merchant. Taking this into consideration I don't agree it has been established that these payments were unauthorised.

However, the payments Miss C made from her Lloyds account were transferred to another account in her name, which she had paid from her Lloyds account before and which was controlled by her, before being transferred out to a merchant. So, in these circumstances, even if it could be established that Miss C did not authorise the payments in question, I would expect the responsibility to be with R to reimburse the unauthorised payments to ensure there was no double recovery of funds. But I would nonetheless expect Lloyds to be checking for unusual or suspicious payments that may indicate potential financial harm.

With this complaint, I don't consider the value or type of payments were significant enough to indicate Miss C may be at risk of financial harm. She made other genuine payments of similar values or higher and I would not have expected Lloyds to pause these payments for additional checks before processing them. I therefore do not agree Lloyds made an error when they declined to reimburse Miss C.

I've listened to the telephone call on 12 March 2025 between Miss C and the customer service adviser. In this, Miss C does mention that she is neurodivergent and mentions that technical language is confusing. During the phone call, some of Miss C's answers contradicted each other, and the customer service adviser noticed this. For example, Miss C initially said she does not have an account with R, but she later confirmed that she did, and this is where the funds went to. When she confirmed she was not aware of anyone having access to her device or her online banking details, the customer service adviser explained they could not see any compromise on her account for someone else to do these transactions without her knowledge or authorisation. So, he thought it was more likely Miss C had authorised the transactions herself.

Towards the end of the phone call, which was lengthy, I've seen the communication between Miss C and the customer service adviser started to become unproductive. When Miss C asked to speak with a female colleague, the customer service adviser's immediate reaction was to ask why but this was not in a neutral tone. He then refused to transfer the phone call onto anyone else and suggested Miss C hang up and call again. When Miss C asked for an e-mail address she could contact, he said his department did not have one. I do agree that it was obvious that Miss C was unhappy with the outcome to her claim and how the phone call had gone, and I agree the customer service adviser could have referred her to the complaints department.

I need to clarify that this service is unable to make provide outcomes on whether or not something constitutes discrimination as per the Equality Act 2010, this is for a court to decide. However, I can consider whether or not the business has behaved in a fair and reasonable manner, and to do that I will take a number of things, including the Equality Act 2010, into consideration.

I do agree the customer service adviser could have transferred Miss C onto another member of staff when she requested this. However, I've also taken into consideration that Miss C was able to speak with another member of staff the same day and a complaint was then made on that phone call. Miss C asked for the claim to be reopened and this was arranged. She was then offered £30 compensation but declined this as she didn't agree it was sufficient. She was then offered £50 which she accepted to close the complaint, and this credited her account the following day. I therefore agree that Lloyds resolved this quickly once Miss C made them aware of the issue and offered compensation which Miss C accepted.

Miss C now believes the £100 offered, meaning a further £50, is not sufficient as she does not agree it takes into consideration the extended effect the call had on her. However, compensation can be very subjective and what might be enough for one person may not be accepted by another for the exact same circumstances. Having carefully considered everything, I do believe the £100 is fair and in accordance with what I would have recommended. While Miss C went on to make a further complaint, I do agree Lloyds dealt with the issue quickly to try and resolve the complaint in a manner that Miss C initially accepted as fair. And while I understand submitting a further complaint has been distressing, there is an inherent amount of distress and inconvenience that comes from choosing to submit a further complaint that I don't agree Lloyds is responsible for.

Miss C has said that how the customer service adviser dealt with her meant she was unable to submit a claim with R in a timely manner. However, I've seen from the evidence provided by R that Miss C requested chargeback claims with R in February 2025, prior to phoning Lloyds about these transactions. On 10 February 2025 she said to R that the recipient she had paid did not deliver the goods/services despite her making the full payment. I therefore do not agree Miss C's interaction with the Lloyds' customer service adviser affected her ability to submit a claim with R.

On balance, having carefully considered everything available to me, I'm satisfied that the recommendation of £100 compensation is reasonable. I also agree it is fair that Lloyds did not reimburse Miss C with the £400 of transfers made to her account with R.

My final decision

I uphold Miss C's complaint in part and recommend Lloyds Bank PLC pay an additional £50 compensation for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 15 December 2025.

Rebecca Norris
Ombudsman