

The complaint

Mr D complains that Lloyds Bank Plc didn't do enough to prevent him losing money to a scam.

Mr D has used a representative to help him bring his complaint. But, for ease of reading, I'll mostly just refer to Mr D himself where I also mean the representative.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview of some of the key events here. Mr D says that in 2024 he was the victim of an investment scam. He describes how he found an opportunity online and was then added to a group chat. He says he was guided and given advice with the promise of being able to make great returns. He says he downloaded an app with a company 'I' and through that he credited funds to be traded. He says that a couple of days later the money had been lost and he realised he'd been scammed. He thinks Lloyds didn't do enough to warn him.

He says the payments made from his Lloyds account as part of this scam were two debit card payments (each for £10,000) to I that both took place in June 2024. He would like Lloyds to reimburse his loss and pay interest.

Mr D complained to Lloyds and they didn't uphold his complaint. The matter was referred to our service and one of our Investigators didn't think Lloyds needed to do more. In summary he didn't think the payments were particularly unusual for Mr D's account and even if Lloyds had asked some questions or given warnings, he thought Mr D would've still wanted to go ahead with his payments. Mr D disagrees and has asked for an Ombudsman to review his complaint.

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've reached the same outcome as our Investigator and for similar reasons. I know this will be disappointing for Mr D, so I'll explain why.

Firstly, whilst Mr D has alleged he's been scammed, this isn't something I think I need to make a finding on to fairly decide this complaint. If this wasn't a scam, there would be no reason for Lloyds to have intervened in what were otherwise legitimate payments. And if it was a scam, for the reasons I'll come to, I still don't think Lloyds need to do more in this case.

The Lending Standards Board's Contingent Reimbursement Model (CRM Code) was a scheme through which victims of scams could sometimes receive redress from the banks involved. But, in this case, the payments in dispute were both made via Mr D's debit card.

Debit card payments weren't covered by the CRM Code and so it isn't a relevant consideration for this complaint.

I've looked at Mr D's prior account history in the months leading up to the two payments relevant to this complaint. These include multiple instances of payments for around £10,000 made through both debit card payments and a transfer. Some of these other payments also went to other platforms which appear to be for investment. In that context and against that backdrop, I can't fairly say that the two payments Mr D is complaining about would've stood out in such a way that Lloyds ought to have been concerned he was at risk of financial harm as a result of a fraud or scam. It follows that I don't think it was unreasonable for Lloyds to not do more than they did before processing either of those payments.

Mr D has suggested that the account with I was a 'cloned investment' scam (with I being impersonated) and thinks this is something Lloyds ought to have warned him about, particularly as the Financial Conduct Authority warned about the possibility of I being cloned in 2021. I've considered this, but our Investigator contacted the genuine I, who shared statements of Mr D's account with them from the relevant time. These show the share purchases that Mr D says he was tricked into making. So, I don't think it's more likely than not that he was dealing with a clone of I, or that I could expect Lloyds to have done more for that reason.

I've also thought about whether Lloyds could've done more to try to recover Mr D's funds when he reported the problem to them. The only potential option for debit card payments like these would've been the chargeback scheme. But, given I've seen evidence that Mr D's payments credited the account with I, I'm not persuaded there was any reasonable prospect of a chargeback succeeding. So, I can't fairly criticise Lloyds in this regard.

Overall, I'm sorry to hear Mr D lost money as he did. But as I don't think this is something Lloyds can fairly be said to be responsible for, there isn't a reasonable basis upon which I can require them to do more to resolve this complaint.

My final decision

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 23 October 2025.

Richard Annandale
Ombudsman