

The complaint

Miss S has complained that Lloyds Bank PLC won't refund the money she lost after falling victim to a scam.

What happened

In summary, in summer 2025 Miss S was applying for jobs and was contacted by scammers. They offered her a fake job opportunity, completing remote tasks for a high rate of pay.

In order to get her commission, Miss S had to pay her own money on to the scammers' platform. She tried to send around £900 from her Lloyds account to her account at an international money remittance service. Lloyds stopped and questioned the payment, Miss S gave them false answers, and they told her she could try again. Miss S then successfully sent around £1,000 from her Lloyds account to her account at an international money remittance service. Then the money went from the remittance service to the scammers' account abroad.

Miss S later tried to send larger sums, but those got bounced back. Miss S made the payments from her account at a different bank instead. Some of the remittance services involved also questioned Miss S about her spending. She asked the scammers what to say, gave false information to those firms, and changed which firms she used.

In the end, the scammers demanded larger and larger amounts, they became hostile, Miss S couldn't withdraw, and she looked into the matter online and realised it was a scam.

Lloyds didn't think they were liable for Miss S's loss.

Our investigator looked into things independently and didn't uphold the complaint. Miss S asked for an ombudsman's final decision, so the complaint's been passed to me to decide.

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 understand that Miss S fell victim to a scam, for which she has my sympathy. I appreciate that such scams can feel really cruel, and they're often not easy matters to face, not least if one is going through a tough time more generally. And I appreciate why she would want to try to get her money back. We must keep in mind that it's the scammers who are primarily responsible for their own scam, and it's the scammers who really owe Miss S her money back. But in this case between Miss S and Lloyds, I'm just looking at what Miss S and Lloyds might be liable for. Having carefully considered everything that both sides have said and provided, I can't fairly hold Lloyds liable for Miss S's loss. I'll explain why.

It's not in dispute that Miss S authorised the payment involved. So although she was manipulated by scammers and didn't intend for the money to end up with scammers, under the Payment Services Regulations she is liable for her own payments and the resulting loss in the first instance. And broadly speaking, Lloyds had an obligation to follow her instructions – the starting position in law is that banks are expected to process payments which a customer authorises them to make.

Lloyds should have been on the lookout for payments which could be the result of fraud or scams, to help prevent them. But a balance must be struck between identifying and responding to potentially fraudulent payments, and ensuring there's minimal disruption to legitimate payments. While there is a duty to avoid causing foreseeable harm, not all harm will be reasonably foreseeable. I've thought carefully about whether Lloyds should have done more in Miss S's case.

Here, Lloyds did stop the bulk of attempted payments to Miss S's remittance services, even when they didn't necessarily have sufficient cause for concern. I don't think they needed to intervene further. The only payment to Miss S's remittance services which actually went through and caused a loss – of around £1,000 – followed a call where Miss S had attempted a similar amount and confirmed the matter to be genuine, and Lloyds had confirmed she could try again. While I appreciate that this was a substantial amount to lose – again, Miss S has my sympathy there – it was not large enough to have been of particular concern, not least given that Miss S had made genuine payments of similar or much larger size in the preceding period. And Miss S had recently reassured Lloyds that she was intending to make such a payment legitimately. There was no suspect pattern forming at that point, and the payment was going to Miss S's account at a genuine firm. In terms of Miss S's payments to her other bank account, those were broadly in character with her previous activity. That was an established payee, which she'd made transfers to many times before, and again Miss S had transferred similar or larger amounts in the preceding period.

With that said, even if I thought that Lloyds should've intervened further, I'm afraid I think it's more likely than not that Miss S would've still gone ahead with the payments. I say this because multiple firms questioned Miss S about her activity during this scam. But those firms were repeatedly misled by Miss S, which would've hindered them from reasonably being able to uncover what was going on or prevent it. She followed the scammers' instructions to give false information, added false information of her own accord, and was quite proactive in seeking advice from the scammers on how she should best mislead the firms. Miss S was messaging with the scammers even while on the phone to fraud prevention staff, keeping the scammers updated and taking further advice. The misleading answers meant that the firms couldn't reasonably tailor their warnings properly, and when Miss S was given broader information about scams, this wasn't heeded. I'm afraid that from what I've seen, it looks like Miss S was notably willing to follow the scammers' instructions, and was determined to get these payments through one way or another. She signed up to new firms to facilitate the payments, and even when firms blocked payments outright, she just used a different one.

As such, it doesn't seem likely that further reasonable, proportionate intervention from Lloyds would've stopped the loss. It seems more likely that Miss S would've still gone ahead. And so I cannot fairly or reasonably hold Lloyds liable there.

In coming to this conclusion, I have taken into consideration Miss S's vulnerabilities. I'm grateful to her for being open and candid with us about them. I should explain that while we take vulnerabilities into account, a party having a vulnerability does not mean that the party will automatically have their case upheld. And I could only fairly expect Lloyds to have taken account of Miss S's vulnerabilities if they were reasonably aware of them at the time. Here, Lloyds were not told about Miss S's vulnerabilities until after the scam. I can't see that they had sufficient reason to think she had those vulnerabilities before that, and it doesn't look like they could have reasonably known. So I cannot fairly or reasonably hold Lloyds liable based on a failure to take account of those vulnerabilities at the time. And even if I'd thought that Lloyds should've intervened further based on vulnerability concerns, as I went through above, it's most likely that such intervention would not have stopped the loss. So while I do sympathise with Miss S, this does not change the assessment.

I've then considered what Lloyds did to try to recover the money after Miss S told them about the scam. Unfortunately, it wasn't possible for Lloyds to take back funds which Miss S had already sent abroad via her remittance services. And any funds remaining in Miss S's own remittance accounts were still in her name, so there'd be nothing more for Lloyds to do there either. As this was a payment to Miss S's account at an international remittance firm, it was not covered by the CRM Code or the PSR's latest rules. And I'm afraid there was nothing more Lloyds could've reasonably done which would've realistically got the money back here.

So while I'm very sorry to hear about what the scammers did to Miss S, I don't think Lloyds can fairly be held responsible for her loss. And so I can't fairly tell Lloyds to reimburse Miss S in this case.

My final decision

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

This final decision marks the end of our service's consideration of the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 4 May 2026.

Adam Charles
Ombudsman