

## **The complaint**

Miss B complains that Lloyds Bank PLC won't refund money she lost to a scam.

Miss B is represented by a firm I'll refer to as 'G'.

## **What happened**

The background to this complaint is well known to both parties and so I'll only refer to some key events here.

Miss B fell victim to a task-based job scam in 2025. As part of the scam, Miss B was required to deposit money to unlock more tasks and withdraw her funds. To do this, the scammer directed Miss B to purchase crypto that was then forwarded on to the 'job platform'. Miss B made about ten payments to a legitimate crypto provider in June and July 2025, which totalled about £8,500. And Miss B has explained that she realised she'd been scammed when further funds were demanded to allow a withdrawal of her earnings.

G complained, on Miss B's behalf, to Lloyds – saying they failed to protect her from the scam. G wanted Lloyds to fully reimburse Miss B's loss to the scam. Lloyds rejected the complaint. They said the payments weren't covered by the Payment Systems Regulator (PSR) mandatory reimbursement rules. And they carried out additional checks before processing two of the payments, but Miss B wanted to proceed with making them.

The complaint was brought to the Financial Ombudsman. Our Investigator didn't think Lloyds had to do anything further. He wasn't persuaded Miss B had evidenced proof of loss to a scam – as she hadn't provided her crypto statements to show what happened to the funds. But putting that aside, he didn't think Lloyds were responsible for Miss B's loss as they carried out additional checks before processing some of the payments. And during these checks, Miss B didn't provide accurate information. He was also satisfied that Miss B was able to respond appropriately to Lloyds's questioning, demonstrating an understanding of the warnings provided to her and that she gave specific explanations about her intentions for the funds. Further to this, he didn't think Miss B expressed any signs of distress, coercion or financial desperation during her interactions with Lloyds.

G disagreed with our Investigator, and so the matter has 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.

While I'm sympathetic to the situation Miss B has found herself in, I've come to the same outcome as our Investigator and for similar reasons.

Before I explain why, I want to reassure Miss B that I've considered everything G have submitted in support of her complaint. And so, while I've summarised this complaint in far less detail than what has been provided, I want to stress that no discourtesy is intended by

this. If there is a submission I've not addressed, it isn't because I have ignored the point. It's simply because my findings focus on what I consider to be the central issue in this complaint – that being whether Lloyds are responsible for any loss Miss B suffered because of the alleged scam.

At which point, I understand there's been some dispute as to whether Miss B has sufficiently evidenced that she fell victim to a scam and the loss she suffered as the result of it. From what has been provided, there is evidence indicative of a job scam. But as our Investigator has said, in the absence of Miss B's crypto statements, I cannot be sure what happened to the funds after it left her Lloyds account – as it could potentially remain in her control. And without being able to establish the loss suffered (if any), I can't fairly or reasonably direct Lloyds to refund Miss B the disputed transactions.

That said, even if I were to be satisfied of what loss Miss B has suffered to the job scam, I'm not persuaded Lloyds would be responsible for it. I think it would be helpful for me to explain at this point that for me to find it fair and reasonable that Lloyds should refund Miss B requires more than a finding that Lloyds ought to have intervened. I would need to find not only that Lloyds failed to intervene where they ought reasonably to have done so - but crucially I'd need to find that but for this failure the subsequent loss would've been avoided. That latter element concerns causation. A proportionate intervention will not always result in the prevention of a payment. And if I find it more likely than not that such a proportionate intervention by Lloyds wouldn't have revealed the payments were part of a fraud or scam, then I couldn't fairly hold Lloyds liable for not having prevented them from being made.

Lloyds have shown they carried out additional checks before Miss B attempted two payments from her account. I've therefore thought about whether their checks were proportionate to the risk associated with the payments at that time. Having done so, I think they were. This is because:

- Lloyds spoke with Miss B over the telephone on two occasions, with the latter discussion prompting a referral to one of their branches for further fraud prevention checks – which included asking Miss B to watch social engineering videos.
- G have said Miss B may not have fully understood what Lloyds told her as English isn't her native language. And so, G consider Miss B had a reduced comprehension of the warnings provided to her. While I've considered this, having listened to the relevant calls, I'm not persuaded that there was a significant language barrier here. Instead, I think Miss B was able to converse with Lloyds quite well – demonstrating an ability to understand what they were telling her and the questions asked of her. At no point did she show signs of being unable to communicate verbally in English. So, I don't think this impacted the effectiveness of Lloyds's fraud prevention checks.
- Lloyds explained that they wanted to discuss the payments to protect Miss B from potential fraud and scams. And to do this, they would need some information from her. So, I think Miss B ought reasonably to have understood the importance of the calls and the information she was expected to provide.
- Lloyds asked Miss B about the purpose of the payments but, at no point, did she disclose the true reason for them – that being to purchase crypto as part of a job opportunity. Instead, Miss B denied it was for investment related and said it was for savings purposes – with an explanation given that she was in the early stages of setting up a business and wanted to put the money aside for it.

- Miss B denied anyone had directed or helped her to open the account she was sending the funds to.
- Lloyds warned that “...*They trick you into making these types of payments for various reasons. It could be a job scam or it could be a visa scam...we just want you to be absolutely honest about all the payments you are making*”.

Lloyds then asked Miss B whether she had been approached by anyone or if anyone was forcing her to move this money to any other account? Miss B denied this or any third-party involvement, and she confirmed that nobody else had access to the account.

I think Lloyds took reasonable steps to understand the surrounding circumstances of the payments to establish if Miss B was at risk of financial harm. Unfortunately, Miss B didn't provide accurate responses to Lloyds's questions – which Lloyds also warned Miss B the importance of. Consequently, Miss B's inaccurate answers prevented Lloyds from knowing the true circumstances of the payments and the risk associated with them.

I appreciate Miss B was instructed by the scammer to withhold the true circumstances of the payments she was making from Lloyds – including being told to give a different payment purpose. While I sympathise with Miss B as she was being manipulated by the scammer, I can't fairly hold Lloyds responsible for the incorrect information she gave. Lloyds were reliant on Miss B providing accurate information and engaging positively with their fraud prevention checks. And based on her responses to their questioning, I think it was reasonable for Lloyds to consider she was making the payments for legitimate purposes. I therefore think the additional checks Lloyds carried out were proportionate to the risk associated with the payment(s) at that time.

At which point, I note G has said it is well-known that fraud victims are often coached on how to respond to bank queries – including being instructed to give alternative explanations for transactions they're making. I agree that Lloyds should be aware of this and, accordingly, put their customers responses under scrutiny in an effort to uncover this type of situation. That said, I wouldn't have expected Lloyds to have interrogated Miss B about the payments she was making. Instead, I think they should've probed and challenged Miss B sufficiently so that they could be reassured she wasn't at risk of financial harm from fraud or a scam. And here, I'm satisfied Lloyds did this by querying Miss B about her intentions for her business - including whether she had a business plan and what stage she was currently at in setting it up. Miss B however responded confidently to this questioning and didn't show signs of doubt or nervousness.

It follows that I don't think Lloyds would've had enough reason to suspect Miss B was being instructed to mislead them about the payments she was making. In any case, Lloyds did refer Miss B to branch for further fraud prevention checks, but this still didn't break the 'spell' she was under from the scammer. And I'm not persuaded – on balance – that any further questioning from Lloyds would've made a difference. I think it's most likely that Miss B would've continued to have misled Lloyds about the true purpose of the payments and their surrounding circumstances – thereby preventing Lloyds from uncovering the scam.

I sympathise with Miss B's situation as I understand she is the innocent victim of a scam. But sadly, due to Miss B not disclosing the true purpose of the payments she was making and providing inaccurate responses to their questioning, Lloyds weren't able to uncover the scam. It follows that I don't think Lloyds are responsible for Miss B's loss.

I've considered whether, on being alerted to the scam, Lloyds could've done anything more to recover Miss B's losses, but I don't think they could. This is because Lloyds could've only sought to recover the funds from the crypto provider – which Miss B said was forwarded on to the scammer. But even if funds had remained, they would've been in Miss B's own control.

I know Miss B will be disappointed by this outcome. But it would only be fair for me to direct Lloyds to refund her loss if I thought they were responsible – and I'm not persuaded that this was the case. For the above reasons, I think Lloyds have acted fairly and so I'm not going to tell them to do anything further.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 5 May 2026.

Daniel O'Dell  
**Ombudsman**