

The complaint

Miss M complains that Lloyds Bank PLC did not reimburse the funds she lost to a scam.

What happened

Miss M says she found a property to rent, via an individual she found on social media. She was told that to secure the property, she needed to pay a deposit. She did so, and received a contract as well as the keys to the house, and she began moving some belongings in. However, the landlord told her that some redecorating and general work needed to be carried out on the property, so her initial move in date of the end of December 2023 was pushed back. Miss M says she was told to continue paying money to the landlord and his brother's account to secure the property, and she did so until April 2024:

Date	Amount	Payee
11 December 2023	£1,800	1
11 December 2023	£450	1
18 December 2023	£1,800	1
22 January 2024	£400	2
22 January 2024	£700	2
29 January 2024	£200	2
2 February 2024	£780	2
6 February 2024	£235	2
15 February 2024	£1,680	2
15 February 2024	£280	2
15 March 2024	£1,800	2
15 April 2024	£1,100	2
16 April 2024	£100	2

Miss M says that in around May 2024, she saw letters in the property that suggested it would be repossessed by bailiffs due to non-payment of the mortgage. She asked the landlord about this but they blocked all contact from her and stopped responding to her. Miss M raised a scam claim with Lloyds in June 2025 and they issued a final response letter in December 2025 explaining they had reviewed the payments under the Lending Standards Board's Contingent Reimbursement Model ("CRM") Code. Having done so, they did not think this met the definition of an authorised push payment ("APP") scam and instead felt this was a civil dispute between Miss M and the landlord.

The complaint was passed to our service and our Investigator looked into it. They explained that they had not seen enough evidence to be satisfied Miss M had fallen victim to a scam, and from what she had said, they felt this was more likely a civil dispute.

Miss M continued to disagree with the outcome. As an informal agreement could not be reached, the complaint has been passed 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 the payment of £400 on 22 January 2024 and the payment of £280 on 15 February 2024 were not payments out of Miss M's account to the landlord. Instead, these were payments into her account from a third-party. So, I will not consider these further as part of this decision.

It isn't in dispute that Miss M authorised the payments in question. Because of this the starting position – in line with the Payment Services Regulations 2017 – is that she's liable for the transactions. But she says that she has been the victim of an APP scam.

I firstly need to consider if I have seen enough to be satisfied that a scam has occurred in the circumstances. I appreciate that Miss M has said she changed her mobile phone, so she no longer has access to the correspondence between herself and the landlord. And while I don't doubt that she has been truthful with our service, we would ordinarily need some form of evidence to show a scam has occurred in the way that Miss M has described.

I have not seen any correspondence between Miss M and the landlord, meaning I cannot know what was discussed or agreed between the parties and therefore what Miss M's understanding of their agreement was. Miss M also no longer has a copy of the tenancy agreement that she signed, and does not have an electronic copy, so I cannot see what the terms of their agreement was or where she was supposed to send the funds and how much had been agreed as the rent. I also have not seen the letters that show the property was due to be seized by the banks so I cannot know with certainty why the relationship between Miss M and the landlord broke down.

All I currently have available is Miss M's word that the funds she sent to two separate individuals sporadically over four months were for a rental property, which the 'landlord' did not pay the mortgage on and then blocked contact with her. With nothing else to support this, it is difficult for me to safely conclude that a scam has occurred.

Even if I was able to take Miss M's word at face value, I also have to consider whether or not the circumstances she has described meet the bar of an APP scam. I say this because the CRM Code only applies if the definition of an APP scam, as set out in it, is met. I have set this definition out below:

...a transfer of funds executed across Faster Payments...where:

- (i) The Customer intended to transfer funds to another person, but was instead deceived into transferring the funds to a different person; or*
- (ii) The Customer transferred funds to another person for what they believed were legitimate purposes but which were in fact fraudulent.*

The CRM Code is also explicit that it doesn't apply to private civil disputes. The wording in the code is as follows:

"This Code does not apply to:

- b) private civil disputes, such as where a Customer has paid a legitimate supplier for goods, services, or digital content but has not received them, they are defective in some way, or the Customer is otherwise dissatisfied with the supplier."*

Having considered what Miss M has said, I don't agree that her situation meets the bar of a scam and instead I think it is a civil dispute between her and the individual she paid. She says that she received a tenancy agreement from the landlord as well as keys and access to the property. She even says she began moving items into the home but additional work needed to be completed. Even though she has said there was indications the house would be repossessed, this was almost 5 months after she says she paid the initial deposit on the property.

All of this leads me to think it is more likely Miss M was provided with a legitimate service, but the relationship between her and the landlord broke down at a later date. As mentioned

earlier, I have not seen any evidence that supports Miss M's claims that the individual she paid had posed as the landlord and had no right to rent the property out to her.

With all of this in mind, I think Barclays acted reasonably when it stated this was a civil dispute between Miss M and the individual. I therefore do not direct them to reimburse her in the circumstances.

My final decision

I do not uphold Miss M's complaint against Lloyds Bank PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 30 April 2026.

Rebecca Norris
Ombudsman