



LLOYDS BANK

## SCAM ALERT

# LLOYDS BANK ISSUES SCAM WARNING TO STUDENTS HEADING OFF TO UNIVERSITY

- **Purchase scams targeting students up by 17% over the last year**
- **Biggest amounts are being lost to impersonation scams (£1,457)**
- **Advance fee scams also now a growing threat to those studying**

Students heading off to university this year must be vigilant against the threat of scams, with fraudsters already gearing up to steal their hard earned cash, according to a new warning from Lloyds Bank.

Criminal gangs are constantly looking for new victims to exploit, and young students – who may be moving away from home and living independently for the first time – can be much more vulnerable to the threat of financial scams.

In a bid to raise awareness, Lloyds Bank has identified the three most common scams targeting university students at the moment, based on reported cases from student bank account holders over the last year.

### **#1 – purchase scams**

Purchase scams occur when someone is tricked into sending money via bank transfer (also known as a Faster Payment) to buy goods or services – often advertised online or via social media – that don't exist.

This is the single most common scam targeting students right now, with cases up by 17% in the last 12 months alone. The average amount lost was **£334**.

Most often these scams start on Facebook or Instagram, advertising items such as trainers, games consoles, clothes or event tickets.

Deals will often appear much cheaper than can be found through trusted retailers, or they may claim to have availability of items that are sold out elsewhere.

## #2 – impersonation scams

The second most likely scam to target students at the moment is an impersonation scam.

This is when someone is convinced to make a payment or give personal financial details to someone claiming to be from a trusted organisation such as the bank, the police or a university. But it could also be a delivery company or even a friend or family member they're impersonating.

This type of fraud is less common than purchase scams, but the amounts lost are usually much higher, at an average of **£1,457**.

These scams often begin with a phone call, text message or email. A criminal might say your bank account is at risk and ask you to move your money to a 'safe account'. They may also get in touch via social media, sending you direct messages or by creating posts.

When criminals impersonate a friend or family member, they often invent reasons to ask for money, such as being stranded overseas or urgently needing to pay a debt, rent or a bill.

There have also been cases of scammers sending fake emails asking for student fees to be paid.

## #3 – advance fee scams

Advance fee scams have now overtaken investment scams to become the third most common type of scam targeting students over the last year.

These scams happen when fraudsters target victims to make advance or upfront payments for goods, services or financial gains that do not materialise. For example, this could be in order to access a loan, rental property, or even to secure a job.

Criminals will often create fake social media ads to lure in victims, who have been losing around **£758** on average to this type of scam.

**Liz Ziegler, Retail Fraud & Financial Crime Director, Lloyds Bank, said:**

*“Heading off to university is always an exciting time, with the promise of more independence, the chance to make new friends, and dreams of your future. But with criminals constantly on the lookout for new ways to trick victims out of their cash, student life can quickly turn into a nightmare if you don't keep your guard up against the threat of fraudsters.*

*“While your bank will be working hard in the background to keep your money safe, it's important you also take steps to protect yourself. If a deal looks too good to be true, or you're being pressured to make a payment quickly, that should set alarm bells ringing that you're about to get scammed.”*

## Top tips for students to stay safe from scams:

- Never share your bank card, PIN or secure banking details with anyone else, even your friends.
- Always use your debit or credit card when you makes payments online. This helps to protect your money should anything go wrong.
- Fraudsters use social media to lure victims, as it's easy to create fake ads or profiles. Do your own research to check whether a deal or offer is genuine.
- If friends or family contact you via social media or another messaging service asking for money, speak to them on a trusted number first.
- Reputable companies won't ask customers to pay money upfront to secure a loan, a job or for any other financial gain.
- Your bank, the police or any other genuine organisation or company will never ask you to move your money to another account.

## CASE STUDY

***Sophie, 24, from Bristol is studying for her Postgraduate Certificate in Education.***

"I get emails, texts and social media ads daily which are definitely scams. Most common are the emails telling me I've won a prize, then asking me to fill out a form with my details, or click a link to claim it. I get texts that pretend to be from delivery companies, telling me I've got a parcel I need to collect – again, asking me to click links to arrange redelivery, or provide loads of personal details. Why do I need to give my card details to arrange a redelivery? That's an immediate giveaway for me.



"One of my friends had a really horrible experience. She was cold-called by someone who convinced her to give them remote access to her laptop. They took over her laptop, controlling what she could and couldn't access, and kept calling her to try and blackmail her into giving them money to stop. It was really upsetting and she became too nervous to use the laptop, which obviously had a knock-on effect on completing her assignments.

"I was already cautious but my friend's experience made me even more so. I rarely answer unknown numbers who call me, in case it is a scam, and I don't really open emails from any address I don't recognise – to make sure my laptop doesn't get a virus.

"Some scams are harder to spot though. They advertise products they know young people on social media want – like trainers – and the way they do it can look professional and eye catching. It's pretty suspicious when these adverts seem to have loads of stuff in stock that well-known shops don't. So, although it is tempting – especially when I don't have a lot of money – it is better to stick to shops and websites that I know are legit.

"I don't think students are that well supported on scams – it's probably a bit of an over-looked area. We get a lot of information about personal safety and maybe there is a perception that, because we grew up with social media, everyone under 25 knows what they're doing all the time. But anyone can fall victim to a clever scam.

"It's much better to be cautious than fall for a scam so I'd say just be really careful and slow down! Weird wonky logos, spelling errors, free stuff... it's probably too good to be true."

## Notes to editors

- 1) Figures based on analysis of relevant scams reported by Lloyds Banking Group student account customers between July 2021 and June 2022, with comparisons made to equivalent data from the previous 12 months (July 2020 to June 2021).

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