Financial Ombudsman Service

The complaint

Mr K complains that Lloyds Bank PLC won't refund the money he lost when he was the victim of what he feels was a scam.

What happened

In late 2023, an actor posted on a social media group Mr K was a member of asking for a script for a play to perform at an arts festival. Mr K sent the actor a script he had written and, after several messages between the two of them, the actor agreed to perform Mr K's script at the festival.

Mr K says he and the actor agreed that they would each pay half of the costs of putting on the play. And over the following months Mr K then made a number of payments from several accounts he held with Lloyds to account details he was given for the actor, to pay for venues to host the play and for various other associated expenses.

Some time later, Mr K says he started to have concerns so contacted the venues the actor said they had booked for the play. But the venues told him the actor hadn't paid them. Mr K then refused to send the actor any further money and reported the payments he had made to Lloyds as a scam.

Lloyds investigated and said it had made a mistake in not raising Mr K's claim when he first contacted it, so it agreed to refund 50% of the payments he had made. It also paid him £40 for poor customer service it had provided him. But it felt he could have done more to protect himself, so didn't agree to refund the rest of the money he had lost. Mr K wasn't satisfied with Lloyds' response, so referred a complaint to our service.

I sent Mr K and Lloyds as provisional decision on 27 June 2025, setting out why I didn't intend to uphold the complaint. That provisional decision forms part of this final decision and is copied below:

"Before our service considers whether a bank has done enough to protect its customers, we must first be satisfied that a customer has been the victim of a scam and has suffered a loss. But despite requesting evidence from him on a number of occasions and giving him sufficient opportunity to provide it, I don't think we have enough information or evidence from Mr K here to safely conclude that the payments he has complained about were made as a result of a scam or that he has suffered a loss as a result of them.

Mr K hasn't been able to provide any record of any communication he had with the actor, or any evidence that the payments he made were related to a play that was to be put on at an arts festival. I appreciate that Mr K has said he has since deleted all his correspondence with the actor, and hasn't been able to get evidence of his communication back from the police – who he says took copies of it. But this still means we haven't seen any evidence of what the payments he has complained about were for or that he hasn't received what he expected to in exchange for them.

I therefore don't think we have clear evidence that the circumstances surrounding the payments were as he has described or that he has suffered a loss as a result of them.

And even if we did have evidence that the payments Mr K has complained about were made for the purposes he has described, people can fail to carry out action they have agreed to take for a number of reasons, and not receiving something you paid for doesn't necessarily mean you have been the victim of a scam. And we also don't have any evidence that the person Mr K made the payments to set out with the intention to scam him – rather than that some other reason meant that they were unable to complete the agreement they made with him.

And so I don't think I can safely conclude that Mr K has been the victim of a scam or that it would be fair for me to require Lloyds to refund any more of the money he lost.

Mr K has also complained about payments he made direct to another venue which was to host the play, but that he had to cancel when he stopped contacting the actor. But, from what I've seen, this venue was still willing to host the play. So the people Mr K actually paid, the venue, weren't operating a scam and so I can't ask Lloyds to refund these payments. I appreciate Mr K says he had to cancel his booking with the venue when he stopped contacting the actor, but the venue doesn't appear to have done anything wrong and so Mr K would have to pursue this loss with the actor directly.

Mr K was also unhappy with the customer service he received from Lloyds when trying to raise this claim. And I can see that Lloyds didn't initially raise a claim for him correctly when he first contacted it, and that Lloyds has admitted it gave him an incorrect phone number at one point. But Lloyds has paid Mr K £40 as compensation for this poor service, and agreed to refund 50% of the money he lost here – which, for the reasons I've explained above, is more than I would have recommended it do in these circumstances. So I don't think it would be fair for me to require Lloyds to do anything further here as a result of this poor customer service."

I said I'd consider anything further Mr K and Lloyds submitted following the provisional 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.

Lloyds didn’t respond to the provisional decision by the deadline given.

Mr K responded, saying that the police still have his messages which show he had a contract of sorts with the actor. And that he feels the £40 compensation Lloyds offered isn’t enough for the poor service he received, and suggests it make a further payment of £100.

But while I appreciate that Mr K has made further efforts to get copies of his messages from the police and has been unsuccessful, we are then still left in the position where we haven’t seen any evidence of what the payments he has complained about were for or that he hasn’t received what he expected to in exchange for them.

So I still don’t think we have clear evidence that the circumstances surrounding the payments were as he has described or that he has suffered a loss as a result of them. And so I still don’t think I can safely conclude that Mr K has been the victim of a scam or that it would be fair for me to require Lloyds to refund any more of the money he lost.

And while I recognise that Mr K doesn’t think the amount of compensation Lloyds has offered is fair for the poor customer service he received, as I explained in the provisional decision, by refunding 50% of the money he lost here Lloyds has done more than I would have recommended it do in these circumstances. So I don’t think it would be fair for me to require it to do anything further as a result of the poor customer service he received.

I therefore still think the conclusions I set out in the provisional decision are correct, and I don’t think it would be fair and reasonable for me to require Lloyds to pay anything further to Mr K here.

My final decision

For the reasons set out above, I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr K to accept or reject my decision before 29 August 2025.

Alan Millward
Ombudsman