

The complaint

Miss T has complained that Lloyds Bank PLC returned a cheque unpaid which she had deposited into her account

What happened

The details of the complaint are well-known to both parties, so I will not repeat them again here. Instead, I will focus on giving the reasons for my 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.

Having done so, I agree with the investigator's findings for broadly the same reasons, I will explain why.

- I appreciate Miss T's concerns that previously she had deposited cheques which have been processed despite the name on the cheque not matching the name on the account. However, the cheque Miss T deposited in June 2019 (which was processed) had been deposited over the counter to a cashier.
- I have reviewed the evidence Lloyds has provided along with a statement from the branch manager. And while the name on the cheque did differ to the name on the account, as it was manually processed by a cashier, the cashier had the opportunity to verify Miss T.
- The cheque which was deposited on 25 September 2019 was done so via an Immediate Deposit Machine rather than a cashier. If the cheque had been deposited via a cashier there may have been an opportunity for them to carry out the necessary checks in order for the cheque to be processed.
- Lloyds have explained that they use a third party to assist with its cheque clearing process. When the third party identified that the name on the cheque didn't match the name on the account, it contacted the third party bank who stopped the cheque being processed. And I don't think this was unreasonable as it had concerns that the names did not match.
- However, despite the events that took place after the cheque was deposited, the reverse of the cheque says '*For deposit only into the account of named payee*', and on the front of the cheque it says '*Account Payee*'. I have also reviewed Lloyds' website and with that in mind I am satisfied Miss T has a responsibility to ensure the name on the cheque matched the name registered on her account. This information would've been available to her
- As such, I can't say Lloyds acted unfairly or unreasonably. So I won't be asking it to do anything further.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 13 January 2021.

Jade Rowe
Ombudsman