

The complaint

Mr C has complained that Lloyds Bank Plc has treated him unfairly and prevented him from accessing his banking facility due to his disability. He says he's been subjected to discrimination.

What happened

Mr C needed to reset his online banking details and update his address, mobile number and email address. However, he was told, that in order to reset his online banking he would need to be sent a one-time password (OTP). But as Mr C's mobile number wasn't up to date Lloyds couldn't do this. And in this circumstance, when Mr C can't access online banking, but needed to update personal details, such as his phone number and address, a higher level of security verification is required. As such he was told he could either contact Lloyds by phone or visit his local branch ensuring he has the relevant identification.

However, Mr C was unhappy with the solutions Lloyds offered as he has Autism Spectrum Disorder and finds it difficult to process information over the phone. As such, Mr C wanted to email the information Lloyds required. But Lloyds said this wasn't possible as changing personal details, when an account needs to be reset, requires a higher level of security and it had no other processes in place to assist Mr C with this. However, they did say Mr C could always ask a representative to discuss the matter over the phone on his behalf but Mr C would need to be present to give consent.

Lloyds have also said prior to this issue arising, Mr C hadn't discussed his disability with it and as such it hadn't received his permission to record it on its systems.

Mr C remained unhappy, so he bought the complaint to our service. However, after referring the complaint to our service Lloyds said they had re-investigated Mr C's complaint and offered further options to help address the issue.

It said it needed to change Mr C's address and telephone number, obtain his consent to record his disability on its systems and then ideally it would like to discuss ways to assist and support Mr C going forward.

It said it can accept a change of telephone number and address via a form, but in order to utilise this option, it must have a signature from the customer on record. Unfortunately, it does not hold a signature for Mr C on file. Meaning this option couldn't be utilised. So, Lloyds said it left it only two options. Mr C could provide verified documents from a solicitor or GP, including proof of identity and proof of address. Then Mr C would be able to update his address and telephone number. Then he could attempt to reset his online banking himself, as the OTP would be sent to his new phone (although Lloyds did express it couldn't guarantee it would work). Another option would be for Lloyds to arrange an appointment for Mr C with an advisor at a time which suits him, ensuring everything was done in one meeting, also capturing signature and ideas on how best it can support him.

Our investigator looked into Mr C's complaint, but he didn't recommend it be upheld. He felt the options Lloyds had offered were reasonable. Mr C disagreed, he said, getting verified documents would result in him being out of pocket and having an appointment would mean

him attending branch, which would impact his health. As such he asked for the complaint to be passed to me to consider.

On 25 February 2022 I issued my provisional findings. I said:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

I'm required to take into account – amongst other things – relevant law and regulations. In this complaint Mr C feels Lloyds failed in its duty to make reasonable adjustments under the Equality Act 2010. So, I've taken the Equality Act 2010 into account when deciding this complaint – given that it's relevant law – but I've ultimately decided this complaint based on what's fair and reasonable. If Mr C wants a decision on whether Lloyds has breached the Equality Act 2010, then he'd need to go to Court.

There are two issues to this complaint. Firstly, Mr C has to reset his online banking details. However, as his personal details, such as his phone number and address have changed, Mr C is unable to do this the usual way. As such, these details need to be updated first. This could usually be done online, but as Mr C's online banking needs to be reset, he can't do this. In these unique circumstances, I can understand why Lloyds needs to satisfy a higher security verification, after all this is to ensure Mr C's account is not put at risk. Two options were presented to Mr C to combat this issue, either go into branch or contact Lloyds via phone. Both of these options were unsuitable for Mr C as he says both would impact his mental health. And no other options were explored at this stage. This caused Mr C to become anxious and he was left unable to use his account.

Given the circumstances, I would expect Lloyds to consider making a reasonable adjustment here, as I think it's clear that Mr C is prevented from using his account and this issue arose in September 2020 and has still not been resolved. I've noted that this is a legal obligation – though in law Lloyds is only required to make adjustments which are reasonable, and which don't fundamentally alter the nature of its service. That's relevant law and I've taken it into account.

In July 2021, whilst the complaint was being investigated by our service, Lloyds provided some alternative options to Mr C. It said if Mr C was able to provide verified documentation from a solicitor and or his GP, it would be able to update his password and address. And, theoretically a OTP could be sent to his new phone number to reset his account. As explained above, I totally accept that Lloyds needs to satisfy a higher security verification in these circumstances, and I feel the option presented to Mr C is a reasonable and proportionate measure and removes the barriers Mr C is concerned about.

I also note that Lloyds has said another option presented to customers who are in this position is to complete a form to request personal details to be change. However, in order to do this, it would require a signature on file from Mr C, which Lloyds haven't previously obtained. However, from reviewing the contact notes it has provided, I am satisfied prior to September 2020 Lloyds were unaware of Mr C's disability. As such, I don't expect it to have discussed this option and offered this as a reasonable adjustment (and have obtained a signature) if it was unaware.

Subsequently, Lloyds also offered to arrange Mr C a private appointment with an advisor at a time that suits him. Which would mean it could resolve all the issues with this account at once, obtain a signature to prevent issues occurring like this again in the future and make it easier for Mr C, and understand how it can support him further. And while Mr C is unhappy with this option, I don't think it is unreasonable. I say that because, it would help Lloyds establish what support Mr C requires to prevent further distress going forward. However, if Mr C is unhappy with this, he still has the option of obtaining verified documentation.

While I am pleased Lloyds re-investigated Mr C's complaints and presented alternative options available and explained what measures it has in place to make reasonable adjustments, it did still take Lloyds nine months to offer Mr C the options of verified documentation, a private appointment, and to explain the potential of requesting an address change by form. During this time, this issue Mr C faced continued. And I think it is reasonable to conclude that the degree of upset and frustration he has experienced for the duration this has gone on for could have been prevented, especially given his vulnerable circumstances. As such I feel he warrants some compensation.

I acknowledge why Mr C says he feels Lloyds have discriminated against him, and why he is frustrated with the barriers that were in place to him using his banking facilities. But having looked at all the evidence I am satisfied Lloyds have offered an option which removes a large proportion of the barriers Mr C faced. While I accept Mr C's preferred option would be to provide the information required via email, I don't think it was unreasonable for Lloyds to decline that option, as it is not something it offers due to its security processes. In place to protect its customers.

Therefore, my provisional decision is that Lloyds could have offered the options it presented to our service to Mr C much sooner. Because it didn't, Mr C has experienced distress, and frustration for not being able to use his account. Therefore, Lloyds should pay Mr C £300 in recognition of this.

My provisional decision

My provisional decision is that Lloyds Bank Place should pay Mr C £300 for the distress and inconvenience it has caused.

Mr C and Lloyds had until 11 March 2022 to respond to my provisional findings. However, both parties responded early. Mr C accepted my provisionally findings but asked that he could provide his bank details for another account he holds (not with Lloyds) for the payment to be paid to. Lloyds also accepted my provisional findings.

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.

As both parties accepted my provisional decision, my provisional findings remain the same.

Putting things right

I require Lloyds Bank Plc to pay Mr C £300 for the distress and inconvenience it has caused. However, Lloyds should pay the compensation into an account of Mr C's choice. Mr C will provide the details of the account he wishes the compensation to be credited to and our service will pass these details onto Lloyds.

My final decision

My provisional decision is that Lloyds Bank Place should pay Mr C £300 for the distress and inconvenience it has caused

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 5 April 2022.

Jade Rowe
Ombudsman