

The complaint

Ms C complains Lloyds Bank PLC has mishandled her data when arranging travel insurance through her packaged bank account.

What happened

The background of this complaint is well known to both parties and has been detailed by our investigator previously. So, I'll summarise the key points I've focused on within my decision.

- Ms C has travel insurance arranged through her packaged bank account that she holds with Lloyds.
- Lloyds were responsible for sending Ms C's address details to the insurer. Unfortunately, an error occurred, and the wrong address details were sent.
- Ms C having noticed online that the details were incorrect notified the insurer. But it didn't amend the details and it sent a letter containing personal medical information to the wrong address.
- Ms C has raised a separate complaint through our service about the insurer's actions. However, our investigator during her investigation discovered the incorrect details had been supplied by Lloyds via an automatic data feed.
- Ms C would like an explanation as to how the breach occurred.
- Our investigator upheld the complaint. However, Ms C isn't happy as she doesn't know how the error occurred and therefore doesn't have the confidence that it won't happen again. So, the complaint has been passed to me, an ombudsman 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.

From what I've seen it is clear the insurer was at fault for not actioning Ms C's request to amend her address. However, it's clear that the incorrect address was provided by Lloyds and had the automatic feed contained the correct address for Ms C, there would have been less risk of a data breach occurring.

From the information available it seems the address that was used is known to Ms C. Lloyds have said the address was recorded on their system as a correspondence address but it has been unable to provide us further details as to how that address was set up. It said that it seemed likely it had failed to remove the incorrect address when it was no longer in use.

Ms C has said she has never supplied Lloyds a correspondence address and even if she did, the address it used is an amalgamation of her current address and the third party address that Ms C knows, so why would she supply it with an incorrect postal address.

I can empathise with Ms C frustration of not knowing how this happened. But unfortunately, although we have asked Lloyds what happened it hasn't been able to give us any more information and we are unable to establish exactly what happened in this instance. I can see Lloyds has provided evidence to show the address they now hold for Ms C is correct, so it seems Lloyds has taken appropriate steps to avoid this happening again. Ms C can also ask Lloyds for a subject access request to obtain her personal information to help assure her that the information it holds is correct.

Putting things right

When considering the compensation for the impact of this error I have considered that the insurer has already awarded financial compensation to Ms C as it was the one that disclosed the medical information. So, I've taken that into consideration when deciding reasonable compensation.

I agree with our investigator, and in the circumstances of this complaint £100 compensation is fair for the trouble and upset caused.

My final decision

For the reasons given above I uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms C to accept or reject my decision before 14 July 2022.

Angela Casey
Ombudsman