

## The complaint

Mr J complains about a decision taken by Lloyds Bank Plc (Lloyds”) not to reimburse him £1,900 he paid to a hotel in 2019, how it handled his claim for this reimbursement and about notes it added to his customer profile in respect of his hearing difficulties.

## .What happened

On 30 December 2019 Mr J paid £1,900 to a hotel for an event. This event was initially scheduled for 2020, before being moved to 2021 and then 2022 because of covid.

On 13 January 2022 and having been made aware that the hotel was shortly to be placed in liquidation, Mr J spoke with Lloyds over the telephone to ask it to submit, on his behalf, a chargeback for the £1,900 he had paid (the hotel) on 30 December 2019.

Lloyds asked Mr J to provide it (to support any chargeback) various evidence and documentation. Mr J did this.

Despite providing the information requested of him, Mr J says Lloyds requested it again from him.

On 26 January 2022 and having not been advised a chargeback had been raised (and whether the same had been successful), Mr J spoke with Lloyds over the telephone for an update and to raise a complaint.

On 27 January 2022 Mr J spoke with Lloyds over the telephone to complain about having been advised by it that it was unable to raise a chargeback (on his behalf) on the grounds of time.

On 1 February 2022 Mr J spoke with Lloyds over the telephone to complain that it had failed to take into account, in its dealings with him, his “*disability*” (dyslexia) and that he had arranged a meeting in his local branch to discuss matters further.

On 3 February 2022 Mr J spoke with Lloyds over the telephone about his complaint. Lloyds advised Mr J that it was correct in concluding that it was too late to raise a chargeback on his behalf, but for its poor service it was prepared to pay him £80. Mr J said he wasn’t happy with the offer of £80 and felt Lloyds should pay him £1,900.

After speaking with Lloyds, Lloyds issued Mr J with a final response letter (“FRL”). Under cover of this FRL Lloyds said its decision not to submit a chargeback on Mr J’s behalf (on the grounds of time) was correct. But for providing “*wrong information*, [misleading him], and [raising his] *hopes by saying [it] could contact the hotel on [his] behalf and get [his] money back*” it had credited his account with £80.

On 4 February 2022 Mr J contacted our service to complain about how Lloyds had dealt with his chargeback request.

On 5 February 2022, as I understand it, Mr J kept his previously arranged appointment with his local branch to discuss his complaint (and Lloyds FRL) further.

At a later date, and before Mr J's complaint was considered by our service, Lloyds agreed to pay Mr J a further £40 for the need and inconvenience of having to attend his local branch to discuss his complaint (and Lloyds FRL) further.

Mr J's complaint was considered by one of our investigators who concluded that:

- Lloyds had done nothing wrong in not submitting a chargeback claim (on Mr J's behalf) on the grounds of time.
- Lloyds could and should have advised Mr J sooner than it did that any chargeback claim couldn't be made on the grounds of time.
- Given the particular loss of expectation, distress and inconvenience Mr J had suffered as a result of Lloyds handling of his claim – in particular his depression and anxiety – it should pay him £200 (in total).
- What Lloyds had added to Mr J's customer profile, this being he is *"hard of hearing"*, appeared to be reasonable. But our service would be happy to liaise with Lloyds to see if this wording could be amended to something Mr J was more happy with.

Lloyds accepted the investigator's findings, but Mr J didn't. Therefore, Mr J's complaint has been passed to me for review and 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.

It's clear Mr J has very strong feelings about this complaint. He has provided detailed submissions in support of his view which I can confirm I've read and considered in their entirety. However, I trust that Mr J will not take the fact that my findings focus on what I consider to be the central issues, and that they are expressed in considerably less detail, as a discourtesy. The purpose of my decision isn't to address every point raised. The purpose of my decision is to set out my conclusions and reasons for reaching them.

As I understand Mr J is aware, at least now, Lloyds can only make a chargeback under the scheme operator's (VISA) rules. The chargeback rules are clear that the absolute maximum time allowed from the date of a transaction for a claim to be raised is 540 days.

The disputed payment was on 30 December 2019 and Mr J first contacted Lloyds on 13 January 2022 (over 740 days later). As the time limit (of 540 days) had already passed by the time Lloyds were informed, I don't think its decision not to pursue a chargeback was unreasonable. They can only act within the schemes rules and the time limits are clear.

I'm sorry to hear Mr J has lost money. But as I don't think Lloyds acted incorrectly in not raising a chargeback, I can't fairly tell it to do anything further in this particular respect.

However, like the investigator, I'm satisfied that Mr J could and should have been advised by Lloyds sooner than he was that any chargeback claim would be out of time. And that had Lloyds done so Mr J wouldn't have been put to what I accept was a loss of expectation, distress and inconvenience, things he should be fairly and reasonably compensated for.

I can also confirm that in deciding what Lloyds should pay Mr J for this loss of expectation, distress and inconvenience, I've had regard to the relevant law and regulations, relevant regulatory rules, guidance and standards and codes of practice, and, where appropriate, what I consider to have been good industry practice at the relevant time. In this case that includes, amongst other things, the Equality Act 2010 and Principle 7 of the Financial Conduct Authority Handbook.

But for the avoidance of doubt I would like to make it clear that I'm unable to make a finding on whether or not something constitutes discrimination under the Equality Act 2010. This is because we are an informal, free alternative, to the Courts. Only a Court of law can make a legal finding based on the definitions set out within the act. However, as I say above (or at least alluded to) I can consider whether Lloyds has acted fairly and reasonably taking into account the Equality Act 2010.

Now I appreciate Mr J won't agree but taking everything into account I agree with the investigator that £200 represents a fair and reasonable sum, taking into account Mr J's particular circumstances, for Lloyds to have to pay him for the loss of expectation, distress and inconvenience he has been caused.

I can understand that because of one or more disabilities Mr J has advised us he has (and to a lesser extent advised Lloyds he has), what he experienced would have been amplified and led him to believe he was being treated unfairly. But having looked at all the evidence I, like the investigator, am satisfied that Lloyds didn't treat Mr J unfairly (or unreasonably) and it did its best to ensure his needs were met.

I can see that Mr J has raised concerns about what Lloyds has recorded in respect of his hearing. But like the investigator, I'm satisfied that Lloyds has done nothing wrong in this respect. However, if Mr J would like what has been recorded by Lloyds amended, or information in respect of his other disabilities noted, then I would suggest he take up the investigator's offer of assistance in this respect.

### **My final decision**

My final decision is that Lloyds Bank PLC, to the extent it hasn't done so already, must pay Mr J £200, but it need do nothing further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 22 September 2022.

Peter Cook  
**Ombudsman**