

The complaint

Mr D complains about Lloyds Bank PLC ("Lloyds") for difficulties he faced when trying to update his contact details. He wants to be compensated for his inconvenience and his costs in sending repeated information.

What happened

Mr D opened his Lloyds account whilst a permanent resident of the UK. At some point thereafter, he moved overseas.

In early 2021, Mr D noted that one of his bank cards had expired, and another was nearing expiry. He was concerned that replacements would not reach him if sent to his old address.

He contacted Lloyds and spoke to an agent.

He explained that he no longer lived in the UK and that he needed to update his address but, due to the ongoing pandemic, he would find it hard to access lawyers or other professionals to notarise any documents.

The agent advised him to send in a signed letter giving his account details and old and new contact details so that these could be updated. He advised Mr D that it would not be necessary to involve a lawyer or other professional.

Mr D sent in a letter, which was received at Lloyds. Lloyds noted that the signature on the letter did not sufficiently match the signature it had on file for Mr D.

Lloyds wrote to Mr D, advising him to attend his local branch. He was unable to do this due to his location.

Lloyds wrote to Mr D again, asking him to complete a change of address form and to attend a lawyer or embassy to have this authenticated. There was no form included with the letter.

Mr D contacted Lloyds and explained that there was no form included. Lloyds re-sent the form and Mr D completed, certified, and returned it.

Lloyds wrote back saying that it was unable to update the records as Mr D's signature did not match.

Mr D chased Lloyds in May 2021, repeating that he was having difficulties updating his details. He asked for someone at Lloyds to contact him.

Lloyds again wrote to Mr D, advising him to complete a form and provide details of his tax payments in the UK, or of a UK benefit. No form was included.

Mr D complained. He felt that Lloyds had not helped him and that this had meant that he was denied access to his accounts and funds for longer than was necessary.

Lloyds responded, advising Mr D to complete a change of address form and to have it certified by the embassy in Mr D's current country along with a copy of his passport. Mr D did this and provided multiple copies to Lloyds. Lloyds then received these and updated Mr D's address around June 2021.

Mr D then referred his complaint to us. He thought that Lloyds had not helped him and had given him incorrect advice and that this had delayed him being able to access his account and funds.

One of our investigators has looked into this matter and recommended upholding Mr D's complaint. He acknowledged that the process to change address would necessarily be more complex for Mr D because he was not living in the UK, but he considered that Lloyds had not tailored its advice to help Mr D access his account in his particular circumstances. He recommended that Lloyds pay Mr D £100 for his distress and inconvenience.

Mr D did not accept that view and asked for an ombudsman decision.

I issued a provisional decision in respect of this matter in September 2022. In that provisional decision I explained that I thought that Lloyds had the opportunity to explain the process fully to Mr D during his initial call, and he did what was asked of him during that call. It then turned out that the process he had been advised of did not work for him and there followed an extended period of exchange of correspondence.

I therefore thought that Lloyds had caused Mr D excess inconvenience and ought to reimburse him for his additional costs of letters, in addition to £200 compensation for distress and inconvenience.

That provisional decision has been shared with the parties, and they have made representations in response.

Lloyds argues that more than one letter would have been required, even if Mr D had been properly advised from the outset as the agent could not have known that the signature provided by Mr D would not match the records. Lloyds also comments that Mr D could have updated his address prior to moving abroad, and that he did not actively use the account so Lloyds does not consider that he was caused substantial inconvenience by the delay in getting a card.

Mr D has provided evidence of one of Lloyds' letters not including the relevant form, and has argued that he should also be reimbursed for two notary visits as this had to be repeated when the notarised copy of his documents were not received by Lloyds. Mr D thinks that the level of compensation is too low and he was caused much greater distress and inconvenience than is reflected in the provisional award.

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.

I remain substantially of the view expressed in my provisional decision and I think that Lloyds failed to inform Mr D properly of the process to be followed to update his address.

I appreciate that Mr D could have found things easier if he had updated his details before moving abroad, but once he had moved it was incumbent on Lloyds to help him access his account.

I disagree with Lloyds that its agent could not have known that the signature would not match, and I consider that he could have explained that the signatures would be compared, and so if Mr D's signature had changed over time then a different process, such as notarised documentation, may be needed.

I therefore remain of the view that Lloyds should reimburse Mr D for 5 letters.

I have looked at the receipts provided by Mr D for notary service and I accept that one of these costs should not have been required. I think one visit would have been required in any event as Mr D's documents needed to be certified.

I therefore think that Lloyds should also reimburse Mr D for one of these visits (at \$28.25) bringing the total reimbursement to around £90.

I appreciate that Mr D thinks that the award for his distress and inconvenience ought to be higher, but I consider it is appropriate. I have borne in mind that Mr D did not appear to use the account as his primary account, and that there would be some inconvenience inherent in changing details from abroad, even if everything had gone right.

As a result, having considered the submissions from the parties, I adopt my provisional decision, as amended by the above, as my final decision.

My final decision

For the reasons given here and in my provisional decision, I uphold Mr D's complaint and direct Lloyds Bank PLC to:

- Pay to Mr D £90 to reflect his financial effects; and
- Pay to Mr D £200 compensation for his distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 1 November 2022.

Laura Garvin-Smith
Ombudsman