

The complaint

Mr M has complained that Lloyds Bank PLC (“Lloyds”) sent him a letter (that was not sent by recorded delivery) without paying for postage. Mr M was required to drive to a post office and pay £2.50 to release the letter.

Mr M is also unhappy with the initial member of staff he spoke to, for example he was unhappy they asked him to confirm his mobile phone number; Mr M says they were unable to understand his complaint; and did not put him through to a manager when he asked to be.

Mr M is unhappy that he called Lloyds a number of times to set up a security passcode number on his complaint but was unable to do so.

Mr M is also unhappy that Lloyds reminded him to treat its staff with respect.

What happened

After we sent on the evidence that Mr M had provided, Lloyds said that it was willing to pay Mr M £22.50. This was to recognise the £2.50 that Mr M had to pay to release the letter and also £20 to recognise the trouble and upset caused by the error.

Mr M didn’t accept the offer, so one of our adjudicators assessed the complaint, and they thought that Lloyds should pay Mr M further compensation – a total of £52.50. The adjudicator felt this better reflected the inconvenience caused to Mr M, specifically for:

- *“The inconvenience of being sent a DSAR that wasn’t pre-paid or sent recorded delivery, which he had to go pick up, pay for, and raise as a complaint to be resolved*
- *the frustration of being told incorrect information and being passed to different departments to be verified*
- *the cost of some of the calls, for example where Lloyds asked him to call back and use his security number, as it seems this was unnecessary and didn’t work for him.”*

Mr M disagreed with the adjudicators conclusions and said that Lloyds should pay him £100 compensation.

As Mr M disagreed with the adjudicator’s conclusions, the matter was referred for an ombudsman’s decision.

I can see that since the adjudicator assessed the complaint, matters have developed further between Mr M and Lloyds. And Mr M wants our service to look into his wider concerns - such as Lloyds’ apparent failure to deal with his Data Subject Access Rights requests. However, I would like to remind both parties that I’m limited to only considering the complaint as it was first presented to Lloyds and subsequently our service.

I would also like to remind both parties I’m unable to look into any concerns raised by Mr M about how Lloyds dealt with the complaint. This is because, as explained by the adjudicator, complaint handling in itself is not a regulated activity or an activity that our service is able to look into.

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 reviewed, everything, I think that what the adjudicator recommended to put matters right was not unreasonable in the circumstances.

Letter sent without postage paid

Mr M has provided evidence that indicates that he did receive a letter from Lloyds, in which Lloyds had not paid the postage for. So I think it's fair that Lloyds reimburse the £2.50 Mr M spent to release the letter.

I also think the £20 offered to Mr M by Lloyds to recognise the inconvenience he incurred due to the postage not being paid is not unreasonable. And although Mr M says that this matter has now dragged on for some time, in fairness to Lloyds, it did say to Mr M in its final response letter that it would consider the costs he incurred if he provided evidence. So from what I can see, Lloyds was willing to reimburse Mr M's added costs when it responded to Mr M's complaint if further information was provided and Lloyds has since agreed to do so, after we had forwarded on the evidence that Mr M had provided us with.

Mr M has said that the letter in question was meant to be sent by recorded delivery and it wasn't. However, whilst that may be the case, as Mr M did receive the letter in question (albeit after having to pay for the postage first), the fact it wasn't sent by recorded delivery doesn't appear to have made any material difference in this matter – once the reimbursement of postage costs of the letter is taken into account.

Unhappy with initial complaint handler

As I have explained above, I'm unable to consider how Mr M's complaint was handled, as that is something that our service is not generally able to do – because complaint handling is no in itself an activity that our service has jurisdiction to investigate. Therefore, I am unable to comment on Mr M's dissatisfaction with the complaint handler he spoke to when he first lodged his complaint with Lloyds. Nor can I comment on what may've been discussed when Mr M spoke to the complaints manager.

Difficulties contacting the bank about his complaint

Mr M has complained that he repeatedly tried to set up a passcode with Lloyds, as he didn't want to provide his date of birth when completing Lloyds' security questions.

During a telephone conversation Mr M had with Lloyds on the day after he first raised his complaint, when discussing ways around having to disclose his date of birth, a member of staff explained that if Mr M contacted Lloyds' 'servicing team', once he completes the security questions with that team, they could setup a passcode on his complaint. However, when Mr M called Lloyds' customer service team shortly after, they said that setting up a passcode on his complaint was not actually possible, at least with the customer service team.

Having listened to the calls, I can see that this caused Mr M frustration and inconvenience in calling Lloyds (again) about this matter. As such, I think that the adjudicator's recommendation that the redress should be increased to £52.50 to reflect the frustration caused to Mr M by being given incorrect information seems reasonable in the circumstances.

Lloyds' request that Mr M treat its staff with respect

I can see that Mr M had complained that the first member of staff he spoke to had poor levels of English, and Mr M feels as though this caused difficulties in the member of staff understanding what it was he was complaining about. In its final response letter, Lloyds reminded Mr M to treat its staff respectfully.

I understand that Mr M is unhappy with Lloyds' response, as he felt that it was being insinuated that he was being racist. Mr M says that he is offended by this, as he says he was himself the victim of racist abuse when he was younger.

Although I acknowledge Mr M's perspective and strength of feelings on the matter, at the same time, I can't say that what Lloyds said was being unfair or unreasonable. Lloyds owes a duty of care to its employees, and I think sending a polite request in its final response letter, asking Mr M to treat its staff members with respect, is not an unreasonable request to make.

So in conclusion, whilst I recognise that not everything went smoothly in this matter – namely Lloyds not paying for the postage and for the incorrect information Mr M was given about how he could contact Lloyds without having to disclose his date of birth - at the same time, I think that what the adjudicator recommended to resolve this matter was not unreasonable in the circumstances.

Putting things right

To put matters right, Lloyds needs to pay Mr M £52.50 to reflect the costs of the letter that was sent with unpaid postage and also to reflect the frustration and inconvenience Mr M experienced in this matter.

My final decision

Because of the reasons given above, I uphold this complaint and require Lloyds Bank PLC to do what I have outlined above in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 16 May 2023.

Thomas White
Ombudsman