

## **The complaint**

Mr W is unhappy with several aspects of the service he's received from Lloyds Bank PLC.

## **What happened**

Mr W has raised several complaints with Lloyds and has referred four of these complaints to this service having received referral rights from Lloyds for those four complaints.

The first of these complaints was raised on 29 June 2022 as Mr W was unhappy that Lloyds had placed a block on his debit and credit cards. Lloyds recorded this complaint under their reference ending 0938 and resolved this complaint on 29 June by apologising to Mr W for what had happened and by making a payment of £100 to him as compensation for any upset or inconvenience he may have incurred.

Mr W complained to Lloyds again the next day, on 30 June 2022, as he was unhappy that his cards were again blocked having previously been told that all account blocks had been removed. Mr W was also concerned that his credit card details may have been given to an unauthorised third party by Lloyds.

This complaint was recorded by Lloyds under their reference ending 7441. Lloyds responded to this complaint by confirming to Mr W that they hadn't given his credit card details to any third parties and by apologising to Mr W for the late unblocking of his cards, which Lloyds confirmed had now been done. Lloyds also made a payment of £140 to Mr W as compensation for the trouble he'd incurred and paid a further £10 to cover Mr W's parking costs incurred for having had to come into branch.

Mr W raised a further complaint on 29 July 2022 and was recorded by Lloyds under reference ending 7691. This complaint surrounded Mr W's dissatisfaction at the service he'd received during a visit Lloyds' branch, as well with the long hold times Mr W had experienced when trying to contact Lloyds' fraud department after that visit. Lloyds responded to this complaint by apologising to Mr W for what had happened and by making a payment of £150 to him for any distress or inconvenience he may have incurred as well as a further payment of £36 to cover Mr W's associated telephone call costs.

The fourth complaint was recorded by Lloyds on 27 August 2022 under their reference ending 4168. This complaint centred on Mr W's dissatisfaction that Lloyds had attempted to take a direct debit payment one day earlier than they should have done, which had resulted in the attempted payment being rejected for insufficient funds. Lloyds responded to this complaint by confirming that they'd tried to take the direct debit on the day they'd said they would as per Mr W's relevant account statement, and so didn't uphold the complaint.

Mr W wasn't satisfied with Lloyds' responses to these four complaints, and so referred them to this service. One of our investigators looked at these complaints but felt that Lloyds' responses already represented fair and reasonable resolutions to the complaints and so didn't feel that any further action from Lloyds was merited. Mr W remained dissatisfied, so the matter was escalated to 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.

I issued a provisional decision on this complaint on 9 February 2023 as follows:

*I'd like to begin by confirming that this service isn't a regulatory body or a Court of Law and doesn't operate as such. This means that it isn't within my remit here to declare that Lloyds have acted in a non-regulatory or unlawful way - such declarations would be for a regulatory body or a Court of Law to potentially make. Instead, this service is an informal dispute resolution service with a remit focussed on fairness of outcome as considered from an impartial perspective.*

*It's also important to confirm that this service can only consider complaints that the business being complained about has already had the opportunity to formally respond to – in line with the complaint response timeframes by which this service must abide. Further information about the parameters within which this service must operate can be found in the Dispute Resolution ("DISP") section of the Financial Conduct Authority ("FCA") Handbook.*

*I'm aware that Mr W has several other complaints with Lloyds that are presently ongoing and for which he hasn't yet received formal responses from Lloyds for. I can't consider those other ongoing complaints here – for the reason explained above – and so confirm that this review will be concerned only with the four complaints described in the preceding section. Mr W may be entitled to bring those other ongoing complaints to this service at a later time.*

*Finally, I note that Mr W has made several detailed submissions to this service both before and after our investigator issued their view of this complaint. I'd like to thank Mr W for these submissions, and I can confirm that I've read and considered all correspondence and documents provided by both Mr W and Lloyds. However, I must note that I won't be responding in this letter to every individual point that Mr W has made, but instead will focus on what I feel are the key aspects of these complaints – in line with the remit of this service as an informal dispute resolution service, as explained above.*

*Regarding the four complaints that are under consideration here, I will deal with each of these complaints in turn.*

*Complaint reference ending 0938*

*On 28 June 2022, an authorised third party tried to fraudulently access Mr W's credit card account. This led to Mr W's accounts being blocked as a fraud prevention measure by Lloyds, and a text message was sent to Mr W by Lloyds asking him to contact them.*

*Mr W telephoned Lloyds in response to that text message later that same day. And, after spending considerable time discussing the matter with Lloyds, Mr W was told that the attempted fraud had been prevented and that his accounts were now all unblocked and could be used by him. However, when Mr W then tried to use his accounts again the next day – on 29 June 2022 – he found that they were still blocked. Mr W wasn't happy about this and went into Lloyds' branch, at which time he raised this first complaint.*

*The member of staff that Mr W spoke with in branch apologised to Mr W for what had happened and assured Mr W that his accounts were now all unblocked. The staff member also agreed to informally resolve Mr W's complaint by paying him £100 as compensation for the upset and inconvenience Mr W had incurred in having to come into branch that day and for the length of time that he'd been there.*

*As will be seen, the issues that Mr W experienced regarding the blocking of his accounts didn't end here. But Lloyds opened a new complaint to deal with the further issues that Mr W would experience. And so, regarding this specific complaint – reference ending 0938 – I'm satisfied that the £100 compensation amount was paid to Mr W solely for the trouble and upset he incurred surrounding his discovering that his accounts hadn't been unblocked, as he'd been told they had been by Lloyds' fraud department the previous day.*

*This £100 compensation paid to Mr W for the upset and inconvenience he experienced on 29 June 2022 seems fair and reasonable to me, and I'm satisfied that it does represent a fair resolution to this complaint – which as explained, technically ended on 29 June 2022. As such, I won't be upholding this aspect of Mr W's overall complaint or instructing Lloyds to take any further action in this regard.*

*Complaint reference ending 7441*

*As alluded to above, while Lloyds closed the previous complaint on 29 June 2022, and compensated Mr W for his trouble and upset up to that time, this wasn't the end of Mr W's continuing issues.*

*Indeed, the very next day, on 30 June 2022, Mr W went into Lloyds' branch once again as his accounts were all still blocked, and because he hadn't been able to make any progress when telephoning Lloyds about this.*

*Lloyds recorded this continuing complaint as a new complaint – reference ending 7441 – and Lloyds' system notes from Mr W's visit record how upset Mr W was at not being able to access any of his money for three days and with the many hours he'd already spent either on the telephone with Lloyds or in branch trying to resolve this issue.*

*While Mr W was in branch, the staff member he spoke with contacted Lloyds' fraud team who confirmed, again, that all the account blocks had now been removed from Mr W's accounts. The staff member also agreed to pay additional compensation to Mr W of £140, as well as a further £10 to cover Mr W's parking costs that day.*

*Unfortunately, once again, this wasn't the end of the difficulties that Mr W encountered, and Mr W continued to experience issues with his accounts being blocked following this date. The reasons for this included that when Lloyds provided replacement cards to Mr W, they placed information about one of these new cards in the electronic wallet which the unauthorised third-party that had initially attempted to fraudulently access Mr W's accounts had compromised, which led to that unauthorised third-party making further attempts to commit fraud, which in turn led to Mr W's accounts being blocked again.*

*When considering this complaint, matters are confused by the fact that Lloyds appear to have reopened both this complaint, and the earlier complaint – reference ending 0938 – with further notes being added to both complaint reports. It's understandable then, given that Lloyds appear to have reviewed this reopened complaint under two separate complaint reference numbers, how Mr W may have become frustrated with*

*what he perceived as poor and inconsistent service from Lloyds in regard to the issues he was encountering.*

*It's also notable that Lloyds issued a formal response to this complaint – reference ending 7441 – on 23 August 2022. This response confirms the award of £140 compensation and £10 costs that Mr W received when he went into branch on 30 July. But the date of this complaint response – 23 August – is over three weeks after Lloyds awarded this compensation and costs amount to Mr W, and so can't be reasonably be felt of as being in consideration of any of the further issues that Mr W experienced after 30 July and up to the date of that letter.*

*But Mr W did experience further issues after 30 July and during the period up to 23 August 2022, when Lloyds issued their letter in response to his complaint. And I'm satisfied Mr W also experiences further and continuing trouble and distress because of these ongoing issues for which he should fairly be compensated for by Lloyds.*

*As such, I will be provisionally instructing Lloyds to pay further compensation in regard to this complaint, and I will return to this point later in this letter.*

*Complaint reference ending 7691*

*This complaint relates to the service that Mr W received during a visit to Lloyds' branch. Specifically, because of the ongoing issues that Mr W had experienced regarding the other complaints described above, he'd previously spoken with the branch manager who had told Mr W to come back to her if he had any further issues.*

*However, when Mr W went into branch and asked to speak with the manager about another instance of his card being declined, he was asked by branch staff to sit and wait and told that the manager would see him shortly. But the manager then left the building without speaking with Mr W, despite Mr W having waited for approximately 30 minutes. And when Mr W asked Lloyds' branch staff about this, he was told that the branch manager had left for the day.*

*Additionally, Mr W then waited in branch for over an hour for someone to assist him, but none of the branch staff present approached him or asked if he needed help.*

*In their response to this complaint, Lloyds have acknowledged that the service Mr W received when in branch that day wasn't to an acceptable standard, and they've apologised to Mr W for this and made a payment of £150 to him as compensation for the distress and frustration he incurred, as well as a further payment of £36 to cover the cost of the subsequent phone calls Mr W had to make to Lloyds because his issue wasn't addressed and dealt with that day.*

*Lloyds' response here seems reasonable to me, and I feel that the apology and the payments of £150 compensation and £36 costs already represents a fair resolution to this specific complaint. As such, I won't be instructing Lloyds to take any further action in this regard.*

*Complaint reference ending 7691*

*Mr W raised this complaint because he felt Lloyds had taken a direct debit payment one day earlier than they should – on the 18th, when Mr W believed the payment should have been taken on the 19th – which resulted in the payment being returned for insufficient funds.*

*I can appreciate how Mr W may have believed that the payment would be taken on the 19th, given that most – but not all – prior payments had been taken on the 19th of the month. However, the direct debit payment was set to be taken on the date as advised by Lloyds to Mr W on the credit account statement from the prior month. And, in this instance, the account statement clearly states that the direct debit for the month in question would be applied for on the 18th.*

*Accordingly, I'm satisfied that Lloyds didn't apply for the direct debit on the incorrect date as Mr W contends, and as such I won't be upholding this aspect of Mr W's complaint.*

### **Conclusions**

*It's clear that Mr W has experienced an ongoing issue regarding the blocking of his accounts that has caused him significant inconvenience and distress, both in regard to his not being able to access the money in his accounts and in how Lloyds have responded to his complaints about the issue.*

*Lloyds have, to a degree, acknowledged the issues that Mr W has encountered, and they've apologised to Mr W for them and have paid compensation and costs totalling £286 across the two complaints that deal with this aspect of Mr W's complaint – references ending 0938 and 7441.*

*But, as alluded to above, I feel that this combined compensation and costs amount can only be considered as being in regard to Mr W's experiences up to and including 30 July 2022, by which date he'd already been offered the totality of that £286 amount, and so can't be thought of as being in consideration of the ongoing issues and frustrations that Mr W continued to experience after that date, and up to the date of Lloyds complaint response on 23 August 2022.*

*Additionally, I'm satisfied that the further inconvenience and upset that Mr W did experience in that approximately three-week period was significant, given Mr W's own testimony to that effect and the notes that are unfortunately split between Lloyds two complaint reference numbers, as previously explained.*

*It's difficult to arrive at a fair further compensation amount for this continuing trouble and upset, but after careful consideration my provisional instructions here will be that Lloyds must make a further payment of £450 to Mr W, which I feel would provide fair compensation to Mr W for the totality of the trouble and upset he incurred up to 23 August 2022 – including in consideration of any further telephone costs that Mr W may have incurred that weren't included in the £36 he was awarded by Lloyds in complaint reference ending 7691.*

*In arriving at this amount, I've considered the impact of what happened on Mr W, as well as the compensation and costs that he's already received. I've also taken account of the general framework which this service considers when deciding compensation amounts for distress and inconvenience, further details of which can be found on this service's website.*

*I've also made specific reference here to the date of Lloyds response to this aspect of Mr W's complaint – 23 August 2022. I've done this because I'm aware that Mr W has further, ongoing complaints with Lloyds, and because I feel that any further related upset and inconvenience that Mr W has potentially experienced following the issuance of Lloyd's complaint response letter on 23 August 2022 should reasonably be considered as a part of any ongoing further related complaint that Mr W may have*

*and shouldn't be considered as a part of the four specific complaints dealt with in this review.*

*This instruction of a further £450 compensation will be my only provisional instruction to Lloyds. This is because I'm satisfied that Lloyds have already fairly responded to Mr W's complaint about the service he received in branch, and that Mr W's complaint about the date that Lloyds applied for a direct debit payment shouldn't be upheld.*

Neither Mr W nor Lloyds have raised any objections to my provisional decision. As such, I see no reason not to issue a final decision upholding this complaint in Mr W's favour on the basis explained above. And I therefore confirm that I do uphold this complaint on that basis accordingly.

### **Putting things right**

Lloyds must make a further payment of £450 to Mr W.

### **My final decision**

My final decision is that I uphold this complaint against Lloyds Bank PLC on the basis explained above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 10 April 2023.

Paul Cooper  
**Ombudsman**