

The complaint

Mr R complains that Lloyds Bank PLC has lost his deeds for a piece of land he owns.

Mr R is represented by his son in law in bringing this complaint. But for ease of reading, I'll refer to any submission and comments he has made as being made by Mr R himself.

What happened

Mr R had his deeds stored with Lloyds for over 50 years and he went to move them as he was centralising his land documents together. But he says Lloyds told him that they had lost his deeds. And the Land Registry doesn't have a copy due to how he obtained the land. Mr R says that Lloyds lost the deeds for the house also, but the house had been registered a few years ago. He says registering the land wasn't something he had to ever do, but now he has to because the deeds have been lost. Mr R says that a major issue is not being able to look at the history of the deeds and the new registration won't solve this. Mr R made a complaint to Lloyds.

Lloyds upheld Mr R's complaint. They said they would pay £250 for being unable to return the deeds to him, despite searching extensively for them, and £330 to refund the safe custody fees he has paid to them. They asked him to make the necessary arrangements to have his title deeds reconstructed, and they would be happy to cover the reasonable costs involved for this to be actioned. They said once he's been advised of the costs, to contact them to discuss this further.

Mr R advised Lloyds that he wanted them to make a payment of £5,000 to him for the upset which has been caused and due to the costs. Lloyds said that these costs are separate to their payment of apology, but they would credit a further £250 to his account for being unable to return the deeds to him. Mr R brought his complaint to our service. Lloyds told us that they paid an invoice of £940 that Mr R provided to them and a further £60 for customer expenses.

Our investigator upheld Mr R's complaint. She said that Lloyds should pay Mr R a further £200 compensation for distress and inconvenience as to get the registration of the new deeds it would take 15 months to complete, which would add further stress and inconvenience to Mr R.

Mr R asked for an Ombudsman to review his complaint. He said that he doesn't believe the £330 is what was paid over the years of storing the deeds with Lloyds, and £250 doesn't reflect the loss of the deeds. He feels £2,500 compensation is fair. Mr R knows other people who've had issues with Lloyds, and he says they have a reputation for making mistakes.

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've considered what Mr R has said about how he knows other people who have issues with

Lloyds, and they have a reputation for mistakes. But I must make it clear to Mr R that I'm only able to take into consideration how Lloyds' actions have impacted him only in the circumstances of the complaint he's brought to us.

I've considered what Mr R has said about him not believing he has paid storage fees of £330 over the years and this figure is likely to be higher. I agree that Mr R will have paid more than this over the 50 years+ that Lloyds held his deeds, although I think it would be unlikely he was paying £15 each year for all of this time. I say this as Lloyds have provided a screenshot of a letter they sent Mr R dated 2 March 1999. While the letter is not available due to the time that's passed, the letter title is recorded as "*Safe Custody – Advise Tariff Increase & Enclose Agreement*".

So by the nature of this letter it's likely Mr R was only paying £15 a year from 1999 and he would have paid a lower annual payment prior to 1999 – although it's likely that the fee in the 1970's would have started off lower and gradually increased over time. Due to the time that's passed Lloyds have been unable to establish the amount that has been paid prior to this. But here, I need to consider when Lloyds are likely to have lost the deeds. It wouldn't be fair to ask Lloyds to repay the storage fees from the outset if they had been providing a service to Mr R. It was only when they lost his deeds that they effectively stopped providing this service to him.

I'm satisfied that the date when Lloyds lost his deeds was between 1998 and when Mr R asked for his deeds. I say this because Lloyds have told us that there is a reference to the item recorded on their system from 1998. So I'm persuaded the envelope containing the deeds was still present in 1998, so if Mr R had wanted to retrieve his deeds prior to this time, he would have been able to access these then. So it wouldn't be proportionate for me to ask Lloyds to refund the safe custody fees prior to 1998. As there's no evidence of them holding his deeds after this point, this should be the date in which they refund the storage fees.

So the fairest thing for Lloyds to do is to calculate the fees based on £15 a year, as it was in the last year they charged Mr R – 2019, when they stopped charging for this service. And it is unknown what Mr R paid for the safe custody storage service in 1998. So based on 22 years at £15 a year, this would equate to £330. So I'm satisfied that the £330 Lloyds credited to Mr R's account to refund the storage fees charged from 1998 – the last time they are able to evidence they had the envelope – is fair.

I've then considered what other compensation Lloyds have paid Mr R. They paid his invoice of £940 and £60 administration costs to register the deeds, which is proportionate. And they paid him £500 for the impact of the distress and inconvenience they caused him for losing his deeds. I understand this is a very stressful time for Mr R and he's told us about his sleepless nights he's had because of this, especially given his personal circumstances, which I won't go into in this decision, but I want to reassure Mr R I've read everything he's said about this. And it isn't over yet as I understand that the process of registering the deeds takes 15 months. Because of the lost deeds, he isn't able to look at the history of the deeds either, which is important to him.

So based on the impact that this situation has had and is having on Mr R, I agree with our investigator that an extra £200 for distress and inconvenience is fair for the impact this situation has had on Mr R for Lloyds losing his deeds. I know Mr R feels that a total of £2,500 is more appropriate, whereas an extra £200 compensation for distress and inconvenience would total £2,030. But compensation is a discretionary remedy that we sometimes award if we feel that a business has acted wrongfully and therefore caused distress and inconvenience to their customer over and above that which naturally flows from the event. When we recommend compensation, it is often modest and within our established guidelines. So I'm satisfied that an extra £200 is fair based on the circumstances of this

complaint. So it follows I'll be asking Lloyds to put things right for Mr R.

Putting things right

Our investigator has suggested that Lloyds pay Mr R an extra £200 for distress and inconvenience, which I think is reasonable in the circumstances.

My final decision

I uphold this complaint. Lloyds Bank PLC should pay Mr R a further £200 for distress and inconvenience.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 22 June 2023.

Gregory Sloanes
Ombudsman