

The complaint

Mr A complains that Lloyds Bank plc (Lloyds) wouldn't allow him to increase his credit limit and blocked his credit card causing him financial difficulties. He would like significantly more compensation than the £25 offered

What happened

The details of this complaint are well known to both parties so I won't repeat them again here. Instead I will focus on giving the reasons for my 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.

Having done so I have reached the following conclusions:-

- I have seen evidence Lloyds blocked several transactions. One on 16 June 2023 for security reasons, Lloyds contacted Mr A by text, completed verification and removed the block. I do appreciate the frustration to consumers when this happens but Lloyds had concerns about fraud so its actions were to protect Mr A and the bank. As its terms and conditions allow it to block transactions for such concerns I can't say Lloyds did anything wrong
- I understand a further payment was blocked on 18 June 2023. Lloyds has explained this was a policy decline by the payment provider possibly due to foreign payments not being authorised or Mr A exceeding his digital wallet limit. Lloyds advised Mr B to use an alternative payment method. Again, I can't say Lloyds did anything wrong here since, as I understand it, it wasn't responsible for the decline and its advice to use an alternative payment method was reasonable.
- Mr A says he had to move money from other accounts to cover his costs abroad and as a result he lost interest. He hasn't evidenced this, however, as I haven't found Lloyds to be at fault in dealing with his transactions I can't reasonably ask it to refund any loss of interest.
- In terms of Mr A's complaint about Lloyds not allowing him to increase his credit limit from what Lloyds has told us I understand Mr A started the process to increase his credit limit but never submitted the application. So, there was no application for Lloyds to agree or not.
- As I understand it when Mr A was considering applying for the credit increase he asked, via an online chat, about the potential impact of doing so on his credit file. A virtual assistant answered but as Mr A kept asking the same question he was transferred to a Lloyds member of staff. An explanation was given to him, a complaint logged to acknowledge his frustration at not getting a clear response initially to his question and £25 offered to acknowledge this on the basis the complaint was then closed. Mr A accepted the £25. It seems this wasn't paid as Mr A then went ahead and complained to us. We have checked and the offer of £25 is still available. I think

this was a reasonable offer by Lloyds for any inconvenience caused.

My final decision

My final decision is that the business has made a fair offer

In full and final settlement of this complaint Lloyds Bank plc should pay Mr A £25 compensation for the confusion caused when asking about the impact of applying for a credit increase

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 14 March 2024.

Bridget Makins
Ombudsman