

The complaint

Mrs J and Mr S complain that the £500 compensation Lloyds Bank plc (Lloyds) has paid to cover the distress and inconvenience of sharing their account information with a third party isn't sufficient. They would like this increased to £1,000

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:-

- There is no dispute that, due to a technical error, Lloyds merged Mrs J and Mr S's account with that of a relative who, as I understand it, lived at the same address. That clearly shouldn't have happened and I don't doubt the distress caused as a result. Lloyds apologised, corrected the mistake, ensured there was no adverse credit file impact and put markers on the accounts to ensure the same mistake wouldn't happen again. It also paid £500 compensation. I think a compensation payment was appropriate. The decision for me to make is whether that payment was sufficient or not as Mrs J doesn't feel it was.
- Mrs J has made reference to the payment made to the other individual involved, to the fact Lloyds originally offered £350 then increased this to £500, and to the overall distress to her of Lloyds mistake
- In this complaint I can only look at Lloyds actions and how they impacted on Mrs J. I can't consider payments to another party.
- It's not unusual when complaints are made for businesses to review offers of compensation and to sometimes increase these. But that isn't a reason in itself to add to the compensation already paid.
- I don't doubt the distress caused but I haven't seen any financial loss as a result of Lloyds mistake. So, taking all of the information that I have into account I feel the payment Lloyds has made is fair and I see no reason to ask Lloyds to make a further payment.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J and Mr S to

accept or reject my decision before 1 March 2024.

Bridget Makins
Ombudsman