

## **The complaint**

Mr M is unhappy with the service he received from Lloyds Bank PLC.

## **What happened**

The circumstances of this complaint are well known to both parties, so I won't repeat everything in detail. Instead, I will provide a summary and focus on giving the reasons for my decision.

Mr M complained to Lloyds when a card payment he made to a third-party was declined. He says his call was put on hold for a long time and that Lloyds issued its final response and closed the complaint without contacting him by telephone.

Lloyds looked into the complaint and responded by issuing several final response letters. It agreed that the service Mr M received due to the time he was on the phone fell short of its normal standards and it paid him M £40 compensation to apologise.

But it didn't agree with the rest of Mr M's complaint. It said when customers make payments online it sometimes needs to go through extra verification to keep customers safe from online fraud. And that it did attempt to call Mr M before sending its final response.

Unhappy with the response Mr M referred his complaint to this service. One of investigators looked into it, but overall, he thought Lloyds' £40 compensation payment was fair. Mr M didn't agree. He disputed that Lloyds had tried to contact him before sending the final response. And he added that he hadn't received one of the final response letters Lloyds had sent.

The investigator considered what Mr M had said but he didn't change the outcome he had reached. He said Lloyds had provided evidence which indicated it had tried to call Mr M and had sent him a text message. But, in any event, he said there was no obligation on Lloyds to call.

As agreement couldn't be reached, Mr M asked for a final decision. So, his complaint has been passed to me.

## **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.

As an informal dispute resolution service, we are tasked with reaching a fair and reasonable conclusion with the minimum of formality. In doing so, it is not necessary for me to respond to every point Mr M has made, but to consider the complaint as a whole. Having done so, while I appreciate Mr M's strength of feeling about what happened - overall, I agree with the investigator that £40 compensation is fair in all the circumstances of this complaint. I know Mr M will be disappointed, so I'll explain why.

Banks are required to have systems in place to protect its customers from financial harm. Sometimes this means that genuine transactions get blocked or declined until the bank verifies the payment with the customer. I'm persuaded that this is what happened here. So, I don't find Lloyds did anything wrong when Lloyds stopped Mr M's transaction.

And from what I've seen it seems that after Mr M spoke to Lloyds, and he subsequently attempted the transaction again, it was processed. So, I don't find Mr M was unduly inconvenienced because of the transaction being stopped.

But the crux of the complaint is about the time Mr M spent on the phone and how Lloyds handled his subsequent complaint.

Lloyds has accepted that the service it provided on the phone - in terms of the length of time Mr M was kept on hold, was below its normal level of service. It paid Mr M £40 compensation by way of an apology in recognition of this. Mr M says he was on hold for several hours, so I agree this would have caused him some inconvenience. But, overall, I think Lloyds' compensation offer is fair.

There is a dispute about whether Lloyds tried to call Mr M before issuing its final response on the complaint. Lloyds has provided evidence which suggests it did try to call Mr M, but its call wasn't answered at the time. But in any event, like the investigator, I don't find that Lloyds is specifically required to call a customer before issuing a final response. The complaint resolution rules say a business must:

*'explain to the complainant promptly and, in a way that is fair, clear and not misleading, its assessment of the complaint decision on it, and any offer of remedial action or redress'.*

As a full written response was issued to Mr M, I find that Lloyds met the rules in Mr M's case. So, overall, I don't think Lloyds did anything wrong in this respect or treated Mr M unfairly.

I understand that Mr M didn't receive one of the letters Lloyds sent in response to his complaint. But I've seen that all the letters were addressed correctly, and I have no reason to dispute all the letters were sent. If Mr M didn't get one of the letters, then I think its most likely that it went astray in the post.

In any event, Mr M was aware of the outcome of his complaint, and non-receipt of the letter hasn't prevented Mr M from referring his complaint to this service for an independent opinion on it as he is entitled to.

Overall, I'm satisfied that Lloyds has paid Mr M fair compensation, so I won't be asking it to take any further action in respect of this complaint.

**My final decision**

For the reasons given above, I do not uphold 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 February 2024.

Sandra Greene  
**Ombudsman**