

The complaint

Mrs M is unhappy that Lloyds Bank PLC blocked a large transfer that she wanted to make.

What happened

Lloyds blocked a large transfer that Mrs M instructed from her account. Mrs M asked Lloyds why they'd blocked the transfer and Lloyds told her that it was because the transfer amount was greater than the maximum amount they allowed. Mrs M asked Lloyds what the maximum allowed transfer amount was, but Lloyds wouldn't disclose that information to her. Mrs M wasn't happy about this, so she raised a complaint.

Lloyds responded to Mrs M and explained that their payment limits aren't disclosed publicly for security reasons. However, Lloyds did apologise to Mrs M because a call she'd made to Lloyds about this issue had been disconnected, and they made a payment of £50 to her as compensation for any trouble or upset this may have caused. Mrs M wasn't satisfied with Lloyds' response, so she referred her complaint to this service.

One of our investigators looked at this complaint. They felt the response Lloyds had issued to Mrs M's complaint already represented a fair outcome to what had happened. Mrs M 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 can appreciate how it would be frustrating for Mrs M to not know what the maximum daily transfer amount Lloyds will allow is. However, as an impartial party, I'm mindful of the regulatory and moral obligations present on all banks, including Lloyds, to have processes and systems in place to protect their customers' money from instances of potential fraud.

One process that many banks have in place to meet these obligations are limits of the amount that a customer can transfer. And it was because the transfer Mrs M wanted to make was larger than Lloyds' transfer limit that Lloyds blocked the payment.

Mrs M has explained that she would like to know what Lloyds' limit amounts are. But it's a feature of these security limits that they aren't disclosed to the public. This is because, if fraudsters were aware of the limit amounts, they would be able to easily circumnavigate this security feature by arranging for fraudulent transfer amounts to be just below the limit amounts. Accordingly, I don't feel that Lloyds are acting unfairly by refusing to disclose their limit amounts to Mrs M, because I'm satisfied that if Lloyds were to disclose their limit amounts it would potentially compromise the effectiveness of those limits as a security measure for all Lloyds customers.

All of which isn't to say that Mrs M hasn't been frustrated and inconvenienced by what's happened here. Indeed, I accept that Mrs M has been frustrated and inconvenienced by what's taken place. But it is to say that I feel that the frustration and inconvenience that Mr M

has experienced here is an unfortunately necessary consequence of Lloyds applying security protocols that are designed with the security of their customers money in mind and which Lloyds have an obligation to have in place.

Accordingly, while I accept that it's unfortunate that Mrs M has been frustrated and inconvenienced by what's happened here, I don't feel that what's happened is unfair.

Lloyds have apologised to Mrs M for a call that she made to them being disconnected and they've paid £50 to her as compensation for any trouble and upset this may have caused. Lloyds actions in this regard seem fair to me, and I don't feel that Lloyds should fairly be instructed to do anything further regarding this disconnected call.

Finally, I'm aware that Mrs M is unhappy with security questions asked of her by Lloyds' complaints team when they called her about her complaint. It would generally be expected that a business would verify that they are speaking to the correct person when calling. However, the remit of this service doesn't extend to points of complaint about how a business has handled a complaint. This is because this service can only consider points of complaint about regulated financial matters. And how a business handles a complaint – even a complaint about a regulated financial matter – isn't itself a regulated financial matter.

All of which means that I'm satisfied that the response that Lloyds have issued to Mrs M's complaint already represents a fair outcome to what's happened here. And it follows from this that I won't be upholding this complaint or instructing Lloyds to take any further or alternative action. I realise this won't be the outcome Mrs M was wanting. But I hope she'll understand, given what I've explained, why I've made the final decision that I have.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 12 April 2024.

Paul Cooper
Ombudsman