

## The complaint

Mr C is unhappy with the customer service received from Lloyds Bank PLC (“Lloyds”) regarding the accounts he holds or manages with it. In particular, he is unhappy about a text message received from Lloyds in relation to a business account (“B”) ending in 3068.

## What happened

Mr C is a signatory on business B’s account ending 3068 held with Lloyds. Mr C holds and manages a number of accounts with Lloyds. Mr C says he stopped working for B in January 2022 and resigned as a director of B on 14 November 2022 but remained a signatory on B’s account for practical reasons.

On 12 September 2023 Mr C while away on holiday received a text message regarding B’s account advising that the overdraft facility on the account ending 3068 was due to expire on 26 October 2023. If he wanted to renew it, he should contact his Relationship Manager. If Lloyds don’t hear from him, it will expire and he should ensure the account is in credit to avoid extra interest and charges.

Due to the large number of accounts Mr C held he wasn’t able to identify which account the message was in relation to and due to being on holiday wasn’t able to look into the matter until he returned on 20 September. Mr C is particularly unhappy that the message wasn’t addressed to anyone and only referred to the last four digits of the account.

Mr C complained to Lloyds about this. Lloyds say overdraft facilities are approved for a maximum term of one year and prior to the expiry if the customer wants to renew the facility they need to contact their relationship manager for review. Previously Lloyds reminded customers of this by letter but recently it moved to sending text messages and its terms and conditions describe the way it can contact customers and this includes text messages. Mr C was contacted by text regarding the matter as that was the number Lloyds held and as such no mistake had been made on its part.

Lloyds have no record of Mr C requesting his removal from the account mandate and the contact details for B’s account weren’t updated until after Mr C received the text message. Furthermore, Mr C’s debit card for B’s account has been used every month between June and December 2023. Lloyds have explained that Mr C can be removed from the account it can do this by sending him a mandate variation form.

Mr C was dissatisfied about this and brought his complaint to this service. Mr C says his daughter should’ve been contacted too as she was managing business B. One of our investigators looked into his concerns and explained that as the event in question related to B’s account they were only looking at the merits of his complaint in relation to this account and that they weren’t able to look at historical issues he’s had in relation to this account due to the time that has past.

After considering everything our investigator didn’t think Lloyds had made an error as it used the methods of contact it had stipulated in its Terms and Conditions it would when contacting Mr C by text message about B’s account. Furthermore, as it had received no requests to

remove Mr C from B's account mandate and the contact details weren't updated until after Mr C received the text message it hadn't done anything wrong.

Mr C disagreed and has asked for an ombudsman's 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.

Firstly, to be clear although Mr C holds and manages a number of accounts with Lloyds, my decision only relates to account ending 3068 held in the name of B. This is because the event that occurred and has been complained about – the text message received - was in relation to activity on this account in B's name. And as Mr C was a signatory to this account at the time of the event he is able to bring a complaint on behalf of B, but not in his own name personally. Nor am I considering Mr C's other accounts in relation to this event - If Mr C wishes us to look at this, separate complaints regarding these accounts would first need to be raised with Lloyds.

It might be helpful for me to say here that I don't have the power to tell Lloyds how it needs to run its business and I can't make Lloyds change its systems or procedures – such as how it communicates with its customer or how it identifies the accounts or the security procedures it follows .These are commercial decisions and not something for me to get involved with.

My role rather, in this is to look at the actions Lloyds has taken in relation to B's account and decide whether it has made a mistake or acted unreasonably. If it has, I'd seek to put the B back in the position it would've been in if the mistakes hadn't happened.

And having considered all the evidence, I don't think Lloyds has made any mistakes.

Using text message to communicate with customers is allowed under Lloyds terms and conditions and given the mobility of customers these days, I don't think it was unreasonable for Lloyds to move to this method of communication.

And I don't think Lloyds made a mistake by sending the text message to Mr C's personal phone number either. Mr C has told us he no longer worked for B and had retired his position when the message was sent. But it was Mr C's responsibility to keep Lloyds updated regarding his position on the account and I've seen no evidence that he informed Lloyds of this or asked to have himself removed from the account. So I can't say Lloyds did anything wrong in using the number it had on file for B to communicate important information regarding the expiry of the overdraft.

And although I appreciate due to the number of accounts Mr C holds or manages he had difficulty identifying this account due to only identifying the last 4 digits of the account number. But again, I don't think this is unreasonable. I think most would understand for security purposes Lloyds are limited what information it can send out and as Mr C had over a month to take any necessary action regarding the text message it gave him plenty of time to review his accounts and respond accordingly.

So, on this basis because I don't think Lloyds made an error or took actions which were unreasonable regarding B's account, I don't uphold this complaint.

### **My final decision**

For the reasons I've explained, I do not uphold Mr C's complaint brought on behalf of B

against Lloyds Bank PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask B to accept or reject my decision before 18 June 2024.

Caroline Davies  
**Ombudsman**