

## The complaint

Mrs P complains that Lloyds Bank PLC (Lloyds) lost the original title deeds to her property. She says the documents are of sentimental value and she's dissatisfied with the bank's attempt to put things right

## What happened

The core events of this case are well known to the parties so, I won't repeat them in detail:

Briefly:

- On 8 September 2023, Mrs P repaid a commercial mortgage that in 2008 she'd obtained from Lloyds. The mortgage was used to purchase a commercial property (the Property) which combined both commercial units and self-contained flats.
- According to Mrs P:
  - On completion of the mortgage in 2008, various documents, comprising the Property's deeds were deposited with Lloyds. On redemption of the mortgage in 2023, Lloyds promised that within two weeks the deeds would be returned.
  - In early October 2023, when the documents didn't arrive, she contacted Lloyds to find out the position.
  - Lloyds replied on 10 October to say they were unable to locate any physical deeds but in any event, copies could be obtained from HM Land Registry for a small fee.
  - Dissatisfied with Lloyds' response, through a number of phone conversations, she continued to press the bank for the return of her deeds.
  - Lloyds did send her some documents including the lease of a former tenant and later the Legal Charge for the Property. But they weren't the documents she wanted. In one of their conversations, however, the bank confirmed that on 2 November 2023, it had posted a package containing the deeds. But the deeds were not received and so, she complained to the bank.
- On 20 November 2023, Lloyds wrote to Mrs P as follows:

*"Please accept this letter as confirmation that our interest in the above securities has been discharged and that we have submitted an application to remove the appropriate charge from the Land Registry.*

*Please note your title is held in an electronic format with HM Land Registry. Should you require a copy of the official title information document you can order*

*this for a small fee by visiting*

<https://www.gov.uk/get-information-about-property-and-land/oopies-of-deeds>.”

- Lloyds did, however, manage to obtain an “Official Copy Register of Title” in connection with the Property which they sent to Mrs P.
- But Mrs P remained dissatisfied. In particular, because according to her the relevant documents included full plans on which the boundaries of the building comprising the Property is marked, whereas to date these hadn’t been received.
- After a further search, Lloyds did find that some other documents had been stored in their archives, which they retrieved.
- On 23 November 2023, Lloyds emailed Mrs P to say they were sending via DHL all the documents that were being held in connection with the Property - albeit as they explained they’d found no boundary plans. Lloyds said:

*“I appreciate they hold sentimental value... If you do require the title plans/deeds, you will have to obtain them from HM Land Registry directly, although as mentioned the records are now fully digital and can be obtained by conveyancers immediately online”.*

- Lloyds told Mrs P they believed the reasonable way forward would be for her to contact a solicitor who’d be able to get official copies of the deeds from HM Land Registry. And furthermore, in relation to any costs that may be incurred in doing so, the bank told Mrs P that she could provide the solicitor’s invoice to the bank, and it would pay the solicitor for any reasonable cost for doing this. Alternatively, the bank said it would reimburse her if she chose to pay the solicitor herself.
- More broadly, Lloyds acknowledged the service they delivered to Mrs P was poor. In particular, that initially they took no meaningful action when dealing with her requests and this would have been upsetting for her. So, they apologised and paid Mrs P £330 in compensation.
- Nonetheless, Mrs P remained dissatisfied. She wanted to be given the opportunity to carry out her own search at the bank’s offices to find the missing documents. Furthermore, she didn’t think the bank’s compensation went far enough and believed £5,000 was a more appropriate figure.
- Lloyds maintained their position. They insisted they’d sent Mrs P all the documents in their possession. And that along with the compensation already paid and the offer to cover any reasonable solicitor’s cost for obtaining any documents Mrs P still believes are still missing, represent a reasonable attempt at putting things right.
- Mrs P didn’t agree and asked this service to look into things.
- Our investigator did so and came to the following conclusion:
  - Having reviewed Lloyds’ internal notes and other items of information, he was satisfied Lloyds did conduct a search for the missing documents.

- He noted Lloyds' testimony that all documents they managed to find were sent to Mrs P.
- But he didn't feel able to rule out there were still documents somewhere in the bank that were lost. He didn't, however, think Mrs P's request to allow her solicitor to conduct a full search of Lloyds' premises was reasonable, not least because he felt it unlikely it would achieve the desired result.
- In any case, he was satisfied Lloyds had done enough to put things right. In particular, he believed that the compensation paid to Mrs P for the distress and inconvenience caused to her was fair and reasonable.
- Whilst he acknowledged that some original documents can't be replaced, and that this is upsetting for Mrs P, nonetheless he was persuaded that Lloyds's offer to pay any reasonable fees for Mrs P's solicitor to obtain any possible replacement documents was also fair.
- But Mrs P wasn't satisfied by the investigator's conclusions and so her case has been referred to me for review.
- In her response to the investigator's opinion, Mrs P has largely maintained her position – which in summary is that:
  - Lloyds lost the deeds to the Property whilst they were in their care whereas, they had a duty to properly look after and keep them safe.
  - That being said it is not accepted the deeds are truly lost, merely misplaced in their premises. So, it's Lloyds' responsibility to trace them.
  - Lloyds should provide details on their methods of trying to recover the deeds. And in addition, they should pay substantial compensation to her as a loyal customer of some forty years, with significant savings with the bank.
  - The £5,000 requested was aimed at the fact the bank lost her deeds. And it is difficult to require her solicitors to obtain replacement documents which they would not have seen.

### **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.

Where the evidence is incomplete or inconclusive (as indeed some of it is here) I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

I start by saying that I can see that these events have been difficult and upsetting for Mrs P. And I appreciate why due to their sentimental importance, she'd have wanted the return of the documents the bank had been holding in relation to the Property.

The issue here, however, is not that having redeemed the mortgage on the Property Mrs P's ability to deal with it has become compromised by the lack of documents she believes is

missing. Rather the crux of her case is that she's been deprived of documents which although not commercially significant have important sentimental value.

Lloyds clearly had various documents relating to the Property lodged with them. That being the case, I agree with Mrs P that whilst in their possession, the bank had a duty to keep them safe.

I can see that as requested and as Lloyds had promised, in the course of these events, they did return certain documents - for example the legal charge, and although not part of the actual title documents, a lease for a former tenant of Mrs P. In addition, the bank provided Mrs P with certain copy documents – including copy title register and a plan showing one half of the Property. But I note Mrs P believes there's a second plan that's not been provided.

I've noted that the bank's records of what was sent to Mrs P and when were not always completely accurate. In all likelihood therefore, this would have generated a lack of trust on Mrs P's part. For example, there seemed to be some confusion concerning whether or not on 2 November the bank actually sent documents to Mrs P. On the one hand, Lloyds internal notes said they had and confirmed this to Mrs P. But after checking with their post room, they found no record of anything being posted out to Mrs P either on 2 or 3 November 2023.

That being said it does appear the Legal Charge was sent at that time and, at or around the same time, so too a copy of the lease for one of Mrs P's former tenants.

Mrs P believes the following documents are still missing:

- Letter of Consent regarding the loan with Lloyds
- Land Registry Index Map,
- Photographs and
- Schedule of Condition.

Mrs P says the reason she knows this, is because after the thorough search Lloyds conducted late November 2023, an employee of the bank told her the above documents were found and would be sent to her. However, she said they were missing from the documents that eventually arrived. I have no reason to doubt Mrs P's testimony not least given the specific nature of the documents she's described.

But Lloyds is certain in their testimony that they sent all the documents in their possession to Mrs P and have nothing more to send. Whilst I have no reason to doubt the bank's testimony either, like the investigator, I can't rule out the possibility that between the time the documents were found and being dispatched to Mrs P, some documents may have gone astray. Not least because I've seen no clear log of what was actually sent on 23 November.

All that being said, I'm not persuaded there is now much hope of anything further being unearthed by Lloyds. So, I don't think I could reasonably require the bank to give Mrs P's solicitor access to their offices to conduct their own search.

Although perhaps not the perfect solution, nonetheless, by agreeing to cover Mrs P's reasonable solicitor's costs for obtaining any documents that might be missing, I think Lloyds have done what reasonably they could be expected to do in the circumstances. And given the list of documents Mrs P has confirmed is still missing, perhaps her solicitors might be able to obtain some of them.

However, in the overall circumstances of this case I bear in mind too that when it comes to the title deeds themselves, after all the Property is registered. So, there is no need to have physical possession of the title deeds as might have been the case pre-registration.

So, when considered in the round, I am satisfied the bank's payment to Mrs P of £330 for the distress and inconvenience this matter has caused, as well as agreeing to cover Mrs P's reasonable solicitor's costs for obtaining any documents that might be missing, is fair and reasonable in the circumstances of this case.

### **My final decision**

My final decision is I do not uphold this complaint. That is in the sense that I'm satisfied that the £330 Lloyds Bank Plc have paid to Mrs P for inconvenience, in addition to their offer to cover her reasonable solicitors' costs for obtaining any missing documents, together represent fair compensation in the circumstances of this case. I do not therefore require the bank to take any further action.

I'll leave it to Mrs P to decide whether to accept Lloyds Bank PLC's offer regarding the settlement of her solicitor's costs.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 23 July 2024.

Asher Gordon  
**Ombudsman**