

The complaint

Mr D complains that Lloyds Bank PLC didn't remove the block on his account after he visited the branch. He wants compensation of £350 plus VAT.

What happened

Mr D says that while abroad on holiday his cards were blocked due to a suspected fraud, and he was required to visit a branch to resolve the issue. On his return to the UK, Mr D visited a branch and unblocked the cards. He then tried to make a payment, but this was declined. Mr D says he then had to visit a branch again to resolve the issue. He wants compensation for his time and has requested £350 plus VAT, which equates to a day's wages.

Lloyds issued a final response dated 21 March 2024. It didn't accept that it had done anything wrong by applying the block to Mr D's account. But it apologised that transactions continued to be declined after the block had been removed and it paid him £215 because of this.

Mr D wasn't satisfied with Lloyds' response and referred his complaint to this service.

Our investigator didn't uphold this complaint. She said that Lloyds had accepted the block wasn't correctly removed from Mr D's account and had paid him £215 in recognition of the trouble and upset this caused and any fees incurred. She thought this was a reasonable resolution to this complaint.

Mr D said that Lloyds had admitted its error, and this had caused him to miss out on a day's wages and so he should be fully compensated for his loss of earnings.

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.

Mr D's account was blocked while he was abroad. I can understand how frustrating this was and note that he had to use his friend's card to make transactions. However, banks have a duty of care and are required to have fraud prevention systems. Lloyds has explained that Mr D attempted transactions in March 2024 which were flagged by its fraud team. Mr D called Lloyds while he was abroad but as Lloyds still had concerns about the transactions following its conversations with Mr D, a block was applied to his account. I can hear on the calls how upsetting and inconvenient Mr D found this but I cannot say that Lloyds did anything wrong by taking action when Mr D's transactions were flagged by its fraud systems.

Mr D has said that his complaint isn't about the issues that occurred when he was abroad but that when he returned to the UK, he visited a branch and following the block on his account being removed his transactions were still being declined. Lloyds accepted that the block wasn't removed correctly and paid Mr D a total of £215 compensation for the trouble and upset this caused. I understand that Mr D doesn't consider this enough and has said

that as he lost a day of wages, he should be compensated that amount. While I take on board Mr D's comment, when considering compensation, we don't usually make a specific award for someone's time, but instead factor in the inconvenience and upset the issue caused.

Mr D continued to experience issues after he had visited the branch and the block on his account had been removed. I can see that he made calls to Lloyds about this and accept this caused him distress and inconvenience. But taking everything into account, noting that I do not find I can say Lloyds was wrong to apply the initial block and it acknowledged the issues following Mr D visiting the bank to remove the block, I find that the £215 compensation it has paid is a fair resolution to this complaint.

I know that Mr D won't be happy with my decision but in this case I do not require Lloyds to do anything further and so I am not upholding this complaint.

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 Mr D to accept or reject my decision before 3 July 2024.

Jane Archer
Ombudsman