

The complaint

Mr L complains on behalf of himself and his aunt and uncle, Mrs L and X, that Lloyds Bank PLC caused them to have a wasted appointment and failed to add his name to a joint account as requested.

What happened

Mr L requested their accountant, C, to arrange an appointment with Lloyds so that his name could be added to X's sole account and Mrs L and X's joint account. When they arrived at the branch, they were told that as the appointment had not been made with an accredited adviser, it could not go ahead on that day. The only accredited adviser available was already with another customer and the appointment could not take place beyond opening hours.

Lloyds offered an appointment early the next day but it could not be at that branch. Instead it was at a branch much further away. C was not able to attend that appointment. At the appointment because they were making two applications they had to sit through two identical video displays. Lloyds agreed to pay Mrs L and X's costs of a taxi and compensation. They believed the application had been completed.

About a month later, when setting up his online banking, Mr L found that he'd only been added to X's sole account. He says he tried to contact the branch manager, but didn't receive a call back. He raised a complaint with Lloyds.

In its final response letter of 17 January, Lloyds said that it contacted the branch in question and could see that Mr L hadn't been added to the joint account. However it explained that the branch did not have any documents and that he would have to call into the branch again to complete the application. Lloyds agreed a payment of £120 compensation.

Mr L complained to the Financial Ombudsman Service. He explained that he was added to the account because he needed to help with Mrs L and X's finances particularly Mrs L's care costs. Because Lloyds had failed to add Mr L to the joint account they had had to ask C to provide additional help with their online banking.

Lloyds advised us that Mr L had been added to the joint account as of 17 January. It hadn't explained this to Mr L.

Our Investigator proposed that Lloyds increase the compensation payment to £300. She also proposed that it should pay £1,437.50 towards C's professional charges.

Lloyds agreed the proposed compensation. Mr L remained unhappy as he did not feel that a proper explanation had been given for Lloyds failing to complete the application. He was also concerned about data protection issues and believed that Lloyds should pay the costs of C attending the wasted appointment.

The matter was passed to me for an Ombudsman's consideration.

I issued a provisional decision. In it I said that Lloyds should pay a further £225 towards the

accountant's fees. And a further £100 compensation.

Lloyds accepted my provisional findings. In respect of the compensation it said it had so far paid £120, so would pay a further £280, together with the accountant's fees as proposed.

Mr L said in response to my provisional findings that :

The £120 previously paid to him was reimbursement for the taxi journeys they had to make, separate from the compensation for distress and inconvenience.

Compensation needs to be considered for the two-hour taxi journeys and the three hours they were there so, 6-7 hours trying to sort the accounts. The entire next day was spent trying to resolve this. They had to reschedule other personal things and this had a major impact - it wasn't just one person it was three people. Also, Mrs L and X are elderly and have disabilities. Mr L himself has a disability.

He didn't have access to the account for months. This should also be considered within the compensation as this is a stand-alone issue. Also, multiple calls were made to Lloyds to find out what was going on including missed callbacks from the branch manager.

He would like a written apology from the branch manager.

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.

The following were my provisional findings:

"The Financial Ombudsman Service is an informal alternative dispute resolution service. Given that, my role is to decide what is fair and reasonable given the circumstances of this complaint, rather than to address every single point that has been made. And for that reason, I am only going to refer to what I think are the most important points. But I confirm that I have read all of the submissions from both sides. I have also considered the contents of three long telephone conversations that Mr L had with our Investigator. I have taken them into account in this decision.

Given the informal nature of our investigation, I don't propose to look any further at how and why Lloyds didn't complete the application or why it didn't tell Mr L that his name had subsequently been added to the joint account. I think it's reasonable to say that these were errors by Lloyds and not anything more sinister.

I accept that it's most likely that failure to set up the appointment with an accredited adviser was an error on the part of Lloyds. So I accept that Mr L, Mrs L and X were caused unnecessary inconvenience. I don't however think that once Lloyds had realised the error that it would have been practical either to interrupt the other customer's appointment or to carry on the appointment past opening hours. I also have to accept that the next available appointment was at a branch further away, meaning that Mrs L and X had to spend some time sitting in a taxi. Looking at online maps it looks like it was about 40 minutes drive away but this could well have taken longer depending on the time of day.

I accept also that due to an error on Lloyds' part Mr L's name was not in fact added to the joint account. When Lloyds responded to Mr L's complaint, it didn't tell him or follow up that response to let him know that he had been added to the joint account as of that date.

With regard to data protection issues, I can understand that Mr L would have been alarmed to be told that his and Mrs L's and X's documents could not be found, and I have taken that into account. It does however look like they were subsequently found so I don't think that there are any remaining data protection issues. To further clarify, it is not our function to make findings of non-compliance with the data protection rules. That is the function of the Information Commissioner's Office (ICO). If Mr L wants to pursue a complaint of breach of those rules then he can make a complaint to the ICO.

As regards compensation, I accept that Mrs L and X needed further help from their accountant and I think that Lloyds should pay C's fees in this respect. But whilst I accept that Lloyds couldn't have anticipated that C would have been present at the meeting, nevertheless they had a wasted journey and charged for three hours of their time. This amounted to £225, which I think should be added to the £1,437.50 which Lloyds had previously agreed to pay, making a total of £1,812.50.

In respect of compensation for distress and inconvenience, I believe, although it's not entirely clear, that £120 has been paid by Lloyds. According to the branch manager's statement, that figure was agreed after the meeting in September 2023. The final response letter does not say that but does reiterate the £120 figure. If that figure is any different then I would ask the parties to clarify exactly what has been paid so far. In any event the proposal put forward by our Investigator, which Lloyds agreed to, is to increase the compensation due to £300.

Further, whilst I appreciate that most of the distress and inconvenience has fallen on Mr L, nevertheless Mrs L and X also suffered the consequences of the error by Lloyds. For that reason I think that the overall compensation figure for distress and inconvenience should be increased to £400."

As regards Mr L's comments, I think first of all that the taxi fares were to be reimbursed – our Investigator set out in her view that this had been done and it's mentioned in the complaint notes from Lloyds. However unfortunately it appears to have been mixed up with the compensation for distress and inconvenience. Unless Lloyds can show that in addition to the £120 paid, it also paid the taxi fares, the full compensation amount of £400 is still payable.

The compensation figure took account of the issues Mr L mentions. We say that an award of over £300 might be fair where the impact of a business's mistake has caused considerable distress, upset and worry – and/or significant inconvenience and disruption that needs a lot of extra effort to sort out. The impact may last over many weeks or months, but it could also be fair to award in this range if a mistake has a serious short-term impact.

In this case the impact on Mr L, Mrs L and X was in respect of the considerable inconvenience in having to attend another appointment. Though as one was required the next day, unfortunately that entailed them having to make long taxi journeys there and back. Mr L has pointed to the inconvenience to him of not having access to the account for several months. I've also taken that into account, although Lloyds will be paying the accountant's fees involved of having to deal with the finances over this period.

Lastly I won't be requiring Lloyds to provide a further apology. I think this was done in the responses it gave and in Mr L's discussion with the branch manager.

In light of that, I remain persuaded by my provisional findings, with the additional point about the taxi fares. Those findings are now final. And they form part of this final decision.

Putting things right

Lloyds should pay C's fees in the total sum of £1,812.50. It should also add interest* to that figure, at the rate of 8% per year, from the date this was paid until the date of reimbursement.

Having paid the taxi fares involved here, Lloyds should also pay compensation of £400.

*HM Revenue & Customs may require Lloyds to deduct tax from any award of interest. It must give Mr L a certificate showing how much tax has been taken off if he asks for one.

My final decision

I uphold the complaint and require Lloyds Bank PLC to provide the remedy set out under "Putting things right" above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs L, X and Mr L to accept or reject my decision before 19 September 2024.

Ray Lawley
Ombudsman