

The complaint

Ms B complains that Lloyds Bank PLC caused her enormous distress, anxiety and inconvenience by its mishandling, misleading and abusive treatment of her when she visited a branch.

What happened

Ms B visited a Lloyds Bank branch in July 2023. She says that the branch staff told her she wasn't allowed to have a Lloyds Bank account because she was a US resident. She says it then changed her address from her address in the US to the branch address without her consent and interfered with and cancelled her bank card without her knowledge. She said her Lloyds Bank mail was diverted to the branch and opened there. Ms B said that she filed complaints in September and October 2023 but didn't receive a response until 8 November 2023.

Lloyds Bank issued a final response letter dated 8 November 2023 not upholding Ms B's complaint. It said that Ms B's bank card expired in July 2023 and a new card was generated to be sent to Ms B in the US. It said that Ms B visited a branch on 17 July 2023, and it ordered a new card to be sent to Ms B's correspondence address in the UK and as this wasn't collected within 28 days the card was cancelled.

Following Ms B referring her complaint to this service, Lloyds Bank investigated Ms B's case again. It said that a new bank card had been sent to Ms B's US address but as she then visited the UK branch and her address was changed to the branch address the card that had been sent out was cancelled and a new card ordered. Ms B was told to collect the card within 28 days but as this didn't happen the card was cancelled. Ms B visited a branch on 29 September and a new bank card was ordered and collected from the branch on 7 October 2023. Lloyds Bank didn't find it had done anything wrong in the ordering of replacement cards or by opening the post that was sent to branch as this was the correct process. However, it accepted that Ms B was given incorrect information about not being able to have an account as the account had been opened when she was UK resident and she was allowed to keep the account when she moved overseas. Because of this it offered to pay Ms B £100 compensation.

Our investigator noted that conflicting accounts had been provided about what happened in branch on 17 July 2023 and why the address was changed on Ms B's account. On balance, she thought a conversation happened about the new bank card on the branch visit and that as Ms B was in the UK and would have needed the card, the address was changed to enable Ms B to collect the bank card from the branch. She noted that this change meant that Ms B's post would also have been sent to the branch until Ms B's address was changed back to her US address.

Our investigator noted the issues that occurred when Ms B returned to the UK in September 2023 and the conflicting testimonies that had been provided. However, she thought that Lloyds Bank hadn't provided the service it should have by saying that the new bank card would be sent to Ms B's friend by 4 October 2023, and this not happening. She found that Ms B had been caused inconvenience by having to collect the bank card from branch on 7

October. She also thought that Lloyds Bank should have changed Ms B's address back to her US address once the bank card had been received in branch in July 2023. Instead this happened on 12 October 2023, after Ms B had needed to make several calls and visit a branch. Because of this she thought that Lloyds Bank should pay Ms B a further £175 (additional to the £100 offered for the incorrect information about being able to have a bank account was given) for the distress and inconvenience Ms B had been caused.

Ms B responded to our investigator's view. She said that factual errors had been made and incorrect information provided by Lloyds Bank. She said she visited the branch on 17 July 2023 to withdraw cash for a taxi as she was returning to the US the next day and so she didn't change her address to get a new bank card to use during her stay. She said her bank card was valid for the duration of her stay and she wasn't returning to the UK until September 2023. Ms B reiterated that the branch staff cancelled the bank card that had been sent to the US without her consent because the bank staff had wrongly decided she wasn't eligible to have an account. She also reiterated that her address was changed without her consent resulting in her post including bank statements and debit card being sent to the UK branch and then her mail (marked '*private and confidential*') being opened. Ms B also reiterated the treatment she received from staff saying this caused her pain and suffering as well as public humiliation.

A second view was issued. Our investigator accepted that Ms B had a fully functioning bank card for her time in the UK in July 2023 and so she didn't think it likely that Ms B would have visited the branch to renew her bank card. Therefore, she thought that Lloyds Bank did make a mistake by cancelling the bank card that had been dispatched to the US. When Ms B returned to the UK in September 2023, and visited the branch on 29 September, our investigator thought that Ms B didn't receive the service she should have. She said that Ms B had made it clear she didn't have access to funds through a debit or credit card and she thought the staff could have done more to assist. Because of these issues, our investigator recommended a further £100 compensation be paid, bringing total compensation for the distress and inconvenience Ms B had been caused to £375.

Ms B responded to the second view asking how the compensation amount had been arrived at. She said it was very different to the £75,000 she had asked for in her correspondence to this service. She said the amount she was asking for reflected the life-threatening pain, suffering and distress she endured due to Lloyds Bank's errors, gross negligence and defamation.

Following further information from our investigator about the awards this service makes, Ms B lowered her compensation request to £17,222.50.

As a resolution hasn't been agreed, this case has been passed to me, an ombudsman, to issue a 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 am sorry to hear of the experience Ms B had when dealing with Lloyds Bank. I agree that she wasn't provided with the service she should have been and can see that this has had consequences which have caused her stress, anxiety and humiliation. She has also been caused inconvenience as she didn't have an active debit card when she returned to the UK in September 2023 and has needed to spend time trying to resolve her complaint.

Two views have been issued on this complaint and these have provided the details of the

events that happened. I appreciate the detailed submissions Ms B has made and while I may not comment on everything that has been said, I want to assure Ms B that I have considered all of the information provided when making my decision.

The issues with Ms B's account started on 17 July 2023, when she visited a branch to withdraw some money using her debit card and to request that a copy of her account statement be printed. This isn't an unreasonable request, and I would have expected this to have been actioned without issue. However, Ms B says that a staff member told her that she shouldn't have a UK account as she lived in the US. This information was incorrect, and I can understand why Ms B found it upsetting to be told this. Based on the testimonies provided it appears the conversation deteriorated. While I cannot say exactly what happened in branch, it is accepted that Ms B was provided with incorrect information and so I do not find she was provided with the service she should have been. Lloyds Bank acknowledged this after Ms B had referred her complaint to this service and offered to pay her £100 because of the distress and upset this caused. In this case, I find this a reasonable offer.

On 17 July 2023, Ms B's address was changed on Lloyds Bank's system and a new debit card that had been dispatched to Ms B's US address was cancelled and a replacement debit card requested to be sent to the branch. It isn't clear why this happened. While I note the comment made by Lloyds Bank about Ms B requesting this change as she needed to use the new debit card while in the UK, I do not accept this is correct. Ms B's debit card wasn't due to expire until end July 2023, and she was leaving the UK on 18 July 2023 (the day after the branch visit) and so I do not find it reasonable to accept that she would have asked for a new debit card to be sent to the branch when this wouldn't arrive before she left the UK. As she then wasn't returning to the UK until September 2023, and the new debit card needed to be collected within 28 days, this would not have been possible for Ms B. Therefore, while I can't say why the changes were made, I accept that Ms B didn't request these and that the details were incorrectly changed and the card that had been dispatched the US was incorrectly cancelled.

When mistakes are made our role isn't to punish the bank but to ensure that the customer is put back into the position they would have been had the mistake not been made and to award, where appropriate, compensation. In this case Ms B was able to collect a new debit card on 7 October 2023 and I understand the branch was removed as her correspondence address on 12 October 2023. Therefore, she has been put back in the position she would have been had these issues not occurred. The outstanding issue relates to what is a fair amount of compensation given the distress and inconvenience she has been caused.

Ms B initially requested £75,000 compensation but reduced this to £17,222.50 after being made aware of the award amounts this service tends to provide. Ms B has explained the upset she was caused and the effects this could have had on her drawing attention to her age and health. She has also said that being left without an active debit card when she arrived into the UK could have resulted in her not being able to have accommodation for the night. I do not underestimate the stress these situations caused Ms B. But, as our investigator has explained, we award compensation based on the impact that Ms B experienced and not what could have happened.

In this case, Ms B arrived in the UK in September 2023, with the debit card that had been sent to her US address. She wasn't aware that this debit card had been cancelled and has said this left her without access to funds. I can appreciate this would have been very stressful and I am pleased that Ms B was able to have a friend collect her and provide accommodation.

Ms B visited a branch on 29 September 2023. She was told that her debit card had been cancelled and the situation with a new debit card being sent to branch and also being

cancelled as it wasn't collected in time. I understand that Ms B was upset by this, but I also note the information provided by the branch staff about her behaviour. That said, as Ms B didn't have access to her funds, I think that Lloyds Bank could have done more to assist at this time. Instead, it said a new debit card wouldn't arrive until 7 October 2023.

Ms B was also made aware that her post had been sent to the branch during this period. While I understand she was upset that this had been opened, the actions taken were in line with the bank's policy and I have nothing to suggest that these actions resulted in Ms B being treated unfairly or being caused any detriment and so I do not find I can say that Lloyds Bank was wrong to do this.

Ms B raised a complaint and was then assured that her new debit card would be sent to her friends address by 4 October 2023. However, this didn't happen, and Ms B needed to visit the branch on 7 October to collect the debit card.

Taking into account that Ms B needed to make a visit to branch on 29 September due to her debit card being cancelled, then again on 7 October to collect the new debit card even though she had been told this would be sent to her friend's address, I find that she was caused inconvenience. She was also caused inconvenience trying to resolve the issues with her debit card over the phone. Alongside the inconvenience Ms B was left without a debit card for several days while she needed to be carrying out her business in the UK. This will have been stressful for her and meant she would have needed to rely on others for assistance.

I have taken all of the above into account when assessing what level of compensation should be paid. As I noted above, I think the £100 offered for the initial issue of the incorrect information being provided is reasonable. Taking into account the other issues Ms B experienced, I find that the further £275 recommended by our investigators is reasonable. This gives total compensation of £375 for the issues raised in this complaint.

I know Ms B doesn't consider this sufficient, but our website sets out the type of awards we provide. And in this case, considering the amount of inconvenience and distress caused and the time involved, I find that total compensation of £375 is reasonable.

Putting things right

Lloyds Bank should pay Ms B a total of £375 compensation for the distress and inconvenience she was caused by the issues raised in this complaint.

My final decision

My final decision is that I uphold this complaint. Lloyds Bank PLC should take the action set out above in resolution of this complaint. .

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

Jane Archer
Ombudsman