

## The complaint

Mrs A complains, as holder of a Power of Attorney (POA) on behalf of Mr A, that Lloyds Bank PLC wouldn't add her to his bank account to replace their daughter as account holder.

## What happened

Mrs A has POA for Mr A which Lloyds recorded in 2020 and Mr A held a joint account with their daughter, for which Mrs A had POA access. Mrs A is unhappy that Lloyds refused their request to add her to her husband's account. She wants to do this for security in the event either spouse dies, and to better handle their finances.

Mrs A made several trips to Lloyds' branch and online appointments for the application to be completed. None of these were successful because the member of staff who was meant to complete the appointment was absent and the relevant zoom link was not sent to Mrs A. Lloyds then explained to Mrs A that it wouldn't add her to the account for security reasons.

Mrs A complained to Lloyds that it wouldn't add her to the account. Lloyds apologised for not telling her sooner and paid £150 compensation. Mrs A then asked about putting the account into Mr A's sole name and completed the forms for this, but they weren't processed and appeared to have been lost by the member of branch staff to whom they were given.

Lloyds investigated and paid an additional £600 compensation and confirmed to Mrs A in September 2024, that the account was now in Mr A's name, and apologised for the distress and inconvenience caused. During a call on 28 August 2024 between Lloyds and Mrs A Lloyds asked verification questions about her account and not Mr A's. Lloyds paid Mrs A additional compensation of £100 for the poor service received during its verification.

Mrs A wasn't satisfied with Lloyds' response and referred her complaint to our service. She said Mr A has limited mobility but made an effort to go to the branch to resolve the account issue. She said she should receive further compensation for the distress and inconvenience caused.

Our investigator didn't recommend the complaint be upheld. She said Lloyds confirmed it isn't their policy to add the POA on an account as a joint holder and this is a decision it is entitled to make. However, Lloyds acknowledged poor service by not providing this information at the earliest possible opportunity and its poor handling of Mrs A's application to change the account. Lloyds removed the joint party, and the account was then in Mr A's sole name as confirmed by Mr A's September 2024 bank statement.

The investigator thought the compensation was fair for the issues Mr and Mrs A had to deal with. She thought the efforts made by Lloyds to recognise the errors it had made, and the feedback to staff and compensation were fair and reasonable in the circumstances.

Mrs A disagreed with the investigator and requested an ombudsman review the complaint. She disbelieved Lloyds that its security policy won't allow the account to be made joint and thinks it's a personal decision out with the banking regulations. She said all other banks are able to have a joint account even if there is a POA and asked why Lloyds isn't governed by

the same rules. And she said she made two Lloyds' savings accounts joint in August 2024. She said they had decided to switch their account to another bank.

Mrs A said she had to wait a month for an appointment and Lloyds' advisers gave differing answers, and no one knew what they were doing. She said the appointment was made by an adviser who confirmed the account change could be done before she received a call stating it cannot be done. She said they spent several hours on phone calls and were misadvised on numerous occasions.

### **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.

Mrs A complained to Lloyds and said that during the time spent trying to get their account issue resolved the bank made a lot of mistakes, and Mr A later closed his account.

I was sorry to learn that what should have been a straightforward amendment process has turned into a prolonged and drawn-out experience. Part of my role is to determine whether what took place was reasonable and whether Lloyds followed the process correctly.

I take the crux of the complaint to be that Lloyds wouldn't allow Mrs A to be added as a joint account holder and remove the other joint party. In assessing whether Lloyds treated Mr A fairly I've taken into account the relevant rules and guidelines along with good industry practice.

Lloyds said the reason for its decision not to add Mrs A to the account is that this is not in accordance with its policy which is for security reasons. Lloyds' policy on this reflects that as she holds POA Mrs A has the relevant access to manage the account on behalf of Mr A. This reflects that holding a POA giving oversight of an account and being an account holder are distinct approaches to account management.

In common with all banks, Lloyds must act in accordance with the regulations but may work out the policy and processes it wishes to follow in order to achieve the regulatory outcomes required. Our service is not the financial regulator, and it is not for us to tell Lloyds to make a change to the processes and systems that it chooses to use. Lloyds is allowed to determine these for itself, and I haven't found that it has done anything wrong here.

In response to Lloyds' decision, Mrs A looked into changing the account to Mr A's sole name. She completed the appropriate forms and dropped them off in branch, where copies of their identity were taken. However, she received further poor service in that Lloyds' member of staff who took the documents was on annual leave and the forms could not be found.

I can see that Mrs A was let down by Lloyds as she was directed to branch to amend the account only to be told it needed to be done via an online meeting. The online meeting didn't go ahead as planned, which Lloyds said was because Mrs A didn't join the meeting via the link it sent her, and Mrs A said was due to Lloyds not sending her a link.

Mrs A also raised a service issue about the verification process on a call in August 2024 and Lloyds acknowledged that it had caused her confusion and paid compensation for the way in which this had been handled.

I was sorry to see that Mr A has now closed his account with Lloyds after many years. This reflects his dissatisfaction with the service he received. This is an option open to any account holder and one that Mr A chose to take, rather than one imposed on him.

Having reviewed what took place I can see that Lloyds not telling Mr and Mrs A about its policy not to add POA's as joint parties led to appointments in branch and online meetings being booked which could have been avoided with better and earlier communication. Mr A's health issues would have made visits difficult. I'm pleased Lloyds apologised for its delays in removing the joint party and also for providing misinformation about being able to add Mrs A as a joint party.

When we make awards of compensation we aren't looking to fine or punish a business but to find an award that fairly and reasonably compensates the consumer for the wrong that has been done. Mrs A requested a further distress and inconvenience payment, as this has been a long and arduous process. I have considered the impact of the delays, poor communications, and the resulting distress and inconvenience to Mr A.

Lloyds initially paid £150 compensation, followed by another payment of £600 and further payment of £100 for customer service issues which hadn't been addressed. In total therefore, Lloyds has paid Mr A £850 compensation for its handling of his complaint issues. Having considered the events that took place I think this sum is a reasonable reflection of the impact of the poor service and communications on Mr A. I say this because the compensation is consistent with other awards we have made in similar circumstances.

I realise Mr and Mrs A will be disappointed by this outcome, but I do not think I could fairly require Lloyds to pay anything further in the circumstances of their complaint as I think they have been fairly compensated.

### **My final decision**

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 5 December 2024.

Andrew Fraser  
**Ombudsman**