

The complaint

A company, which I'll refer to as W, complains that Lloyds Bank PLC caused delay in changes to its account mandate.

What happened

W has a business current account with Lloyds. In the spring of 2024, W approached the bank with the aim of adding a person to the account signatories and changing the signing rules. W submitted the required form, but additional information was needed, so the bank asked W to resubmit the form. There were further exchanges between the parties. The mandate changes were completed during June 2024.

W complained to Lloyds that the mandate changes took too long, as a result of failures by the bank.

The bank offered £50 compensation for inconvenience during the mandate change process. W didn't accept Lloyds' offer and referred its case to us.

Our investigator thought that Lloyds' offer of £50 compensation for inconvenience was fair and reasonable.

W didn't agree with the investigator's conclusions and asked for an ombudsman to review the case.

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'm sorry to disappoint W's directors, but I've reached the same conclusions as the investigator.

When W submitted the mandate change form, the bank required further information from the company – in particular, some more details about the signing instructions. But when Lloyds communicated with W about the matter, the director who received the email didn't pass it on to the other directors. I can't reasonably hold Lloyds responsible for this delay. If the email had been passed on, then the other directors could have addressed the outstanding matter sooner and the mandate could have been changed promptly.

Lloyds' branch staff gave face-to-face help with the form and the bank has offered compensation for its own shortcomings, but in my view they contributed little to the delay. In the circumstances, I think the bank's offer of £50 is fair and reasonable.

W says that its directors have suffered distress and inconvenience as a result of these events. But, as our investigator has pointed out, this complaint comes from the company, and not from the directors individually. The directors aren't the complainants here, and I can only consider inconvenience caused to the activity of the company, which I've already done.

W also says that the bank's complaint handling was at fault. I haven't been able to look into this, because complaint handling isn't an activity that the Financial Ombudsman Service has any powers to consider. We can look at the substantive matters complained about, and that's what I've done here.

My final decision

Lloyds Bank PLC has already made an offer to pay £50 to settle the complaint and I think this offer is fair in all the circumstances.

My final decision is therefore that Lloyds Bank PLC should pay £50 to W.

Under the rules of the Financial Ombudsman Service, I'm required to ask W to accept or reject my decision before 28 April 2025.

Colin Brown
Ombudsman