

The complaint

Miss H complains about the service Lloyds Bank PLC provided after discovering that her access to online banking had been suspended.

What happened

In November 2024 Miss H had her purse stolen. She ordered new cards from Lloyds but these didn't arrive and when she asked about this, she discovered that Lloyds had recorded her address incorrectly. Then in December 2024 Miss H tried to make a payment which Lloyds flagged for additional checks, which involved her online banking being suspended until it had looked into this further.

A member of staff at Lloyds contacted Miss H about this payment to ask for more information about it. As a result of the discussion Miss H decided not to proceed with the payment, but she was very unhappy with how the member of staff spoke to her. She found his manner disrespectful and unnecessarily interrogating during what she felt to be a long and distressing call.

Miss H complained to Lloyds which accepted that the situation could have been handled better. It noted that the member of staff Miss H spoke to was the fourth person she had spoken to about the situation and that they could have chosen more appropriate wording. Lloyds paid Miss H £150 for the distress caused, but this didn't resolve things for Miss H and so she referred her complaint to this service.

One of our investigators looked into this. They found that while Lloyds' service could have been better, they didn't think Lloyds could be held responsible for the cards failing to arrive with Miss H as there was no suggestion that it was responsible for Miss H's address being recorded incorrectly. They also accepted that Lloyds' service around the block on Miss H's internet banking, including the call she was unhappy with could have been better. But they found that the £150 Lloyds paid was fair and reasonable compensation for the impact of this.

Miss H was unhappy with the investigator's findings and so the complaint was referred to an ombudsman to decide.

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'll start by addressing the issues around Miss H reporting her purse as stolen and ordering new cards. Dealing with this situation will clearly have been upsetting for Miss H, given what she has told this service about her circumstances. It will then have been frustrating and inconvenient when the cards that Lloyds said would be replaced weren't received. It seems that the reason these cards weren't received was because Miss H's address was incomplete on Lloyds' systems – but it's not clear to me that this was because Lloyds had made a mistake. It looks like it had just recorded the information that Miss H had given it and used that when sending the cards.

Then turning to the payment that Lloyds withheld and its blocking of access to her online banking, Lloyds was entitled to take the actions it did here. It did so with Miss H's best interests in mind, as it was seeking to understand more about a payment she wanted to make that looked unusual before allowing it. I note that as a result of Lloyds intervention, Miss H decided not to make the payment in question, which supports that this was a responsible and reasonable action for it to have taken.

Miss H's concerns are less about Lloyds' ability to take this action and more about how it went about it. I've listened to the calls Miss H had with Lloyds about the payment in question and, as Lloyds itself has acknowledged, I think it could have dealt with this better. I don't think it was good service that Miss H had to speak to four different people about this situation and nor do I think the final person she spoke to made this process as simple as it could have been. They could certainly have been more empathetic – although some of the questions they had to ask were, by their nature, quite probing. That said, some of the answers the member of staff gave implied that the ultimate decision for restoring access to online banking lay with them as a personal decision, rather than being made on behalf of Lloyds, based on its policies.

Given that Miss H had already had the issue with not receiving her cards, it would only have been all the more distressing and inconvenient for her to then lose access to her online banking. I think Lloyds could and should have been more sympathetic to her situation when it contacted her about the payment.

Miss H clearly feels very strongly about this and when she initially brought her complaint to this service seemed to want Lloyds and the member of staff 'reprimanded'. As our investigator has explained, that's not our role here. My role as an ombudsman is to look at all the circumstances of a complaint and decide what's fair and reasonable. So I have considered all Miss H has said and I find that Lloyds paying £150 is a fair way of resolving this complaint that reflects the impact this would have had on her.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 22 July 2025.

James Staples
Ombudsman