

The complaint

Miss G complains that due to a system failure she was unable to access her account with Lloyds Bank PLC.

What happened

Miss G complained to Lloyds as she was unable to access her account online on 28 February 2025 as the system wasn't working. She said she had to borrow money from a neighbour to buy food for her children.

Lloyds looked into the complaint and accepted that its online system was unavailable for two hours on the morning of 28 February 2025. It apologised for the inconvenience caused to Miss G and offered her £25 compensation. It also said its records showed that Miss G was able to access her account later that morning. Miss G didn't accept Lloyds' offer and referred her complaint to this service.

One of our investigators looked into what had happened. But she thought the offer of £25 was fair and reasonable. Miss G didn't agree with the investigator. She said Lloyds should pay her £45. As the investigator didn't alter the outcome she had reached, Miss G asked for her complaint to be escalated. So, the complaint has been passed to me 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.

Having done so, I've come to the same conclusion as the investigator and for much the same reasons. I know Miss G will be disappointed, so I'll explain why.

All businesses – not just banks, experience technical problems with their online systems from time to time. And this can result in customers not being provided with the service they expect. But that doesn't mean compensation is always warranted - we wouldn't award compensation for things that aren't more serious than the normal nuisances of everyday life.

In this case, it isn't in dispute that Lloyds' online system was unavailable on the morning of 28 February 2025 for two hours. Lloyds has apologised and offered Miss G £25 compensation in recognition of the inconvenience this caused her.

I've considered what Miss G has told us about the impact the system failure had on her – she had to borrow money from a neighbour to buy food for her children. But using online banking isn't the only way Miss G can access her account. Miss G could have telephoned Lloyds or visited a branch or local post office to complete any transactions she needed to do. And I consider these alternatives to be reasonable.

In any event, it seems Miss G was able to mitigate her situation to buy the food she needed as she's told us she borrowed money from a neighbour. I appreciate that Miss G has also told us that the neighbour then went on to share this information with others in her

neighbourhood causing her embarrassment. But I can't hold Lloyds responsible for the actions of her neighbour.

It's clear to me that Miss G is unhappy about being unable to access her account. But the impact on Miss G was short-lived as the online system issues were resolved within two hours, Lloyds offered reasonable alternatives which would have allowed Miss G to access her account, and Miss G was able to access her account later that morning.

I do understand Miss G's frustration. But having carefully considered everything that happened and our guidance on awards for distress and inconvenience - overall, I find that the £25 compensation Lloyds has offered is fair and reasonable.

My final decision

My final decision is that Lloyds Bank PLC should pay Miss G £25 in compensation – the amount it has offered – as this is fair and reasonable in the circumstances.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 4 June 2025.

Sandra Greene
Ombudsman