

The complaint

Mr P complains as a director of T, a limited company, that Lloyds Bank PLC delayed in giving him access to T's online account.

What happened

In February 2024 Mr P contacted Lloyds about his father's personal accounts with Lloyds. His father was suffering with dementia, and he had a joint Power of Attorney (PoA) with his mother that he wanted to register in order to gain access to his father's accounts. This was duly sorted out. On 15 April Mr P contacted Lloyds regarding his father's business accounts. There were six businesses, including T. He was told he needed to register the PoA for the business accounts and that he should register them for online access. He was told he needed to provide account details which he agreed to obtain from T's accountant.

Subsequently in May 2024 Mr P tried to register for online banking but after a number of calls with Lloyds it was established that he needed to apply for a variation of the mandate. On 8 May, Mr P sent the application in, though unknown to him Lloyds then tried to communicate with his father to get his signature and consent. Mr P only found this out when he phoned through requesting an update. Mr P was successfully added to the account as a signatory on 3 June. However, he still had difficulty getting online with T's account which Lloyds clarified to mean that adding a signatory didn't automatically add the online access, and delays were due to trying to obtain Mr P's father's signature. Although the other business accounts were registered by 15 May it took until 18 July for online access to be fully available to T's account.

Lloyds partially upheld the complaint particularly in light of Mr P's customer service experience. It paid a total of £168 compensation, including £18 travel expenses for branch visits.

Mr P's father has passed away since the complaint was referred to us.

Our Investigator explained to Mr P that we can't award him compensation for distress or personal financial losses. She said that as T was inconvenienced by the amount of time Mr P had to spend on dealing with the matter, Lloyds should pay a further £100 compensation.

Mr P didn't agree, and the matter has been passed to me for an Ombudsman's consideration.

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 should reiterate, as our Investigator has told Mr P, that this decision only concerns the complaint Mr P has about T's account, and not the other business accounts. Mr P will need to make separate complaints about those businesses, though he should be aware we can't

award compensation twice for the same event eg if he went to the branch to sort out more than one account.

Additionally, again as our Investigator has made clear, I can't award compensation for distress or any personal financial losses Mr P may have incurred. I'm sorry that it has had implications for his mental health, but I just don't have the power to make an award in this respect. Mr P has told us that our website says we do award compensation for these sorts of issues. However, the website also makes it clear that we can't award a company compensation for distress. And the company is the eligible complaint here – Mr P makes the complaint as T's representative.

Turning now to what actually happened, my view is that Lloyds is responsible for its failures after Mr P told it that he wanted access to the business accounts, rather than the personal accounts, from 15 April. From then I have reviewed all the telephone calls he made – over 40. He was passed between departments a number of times and had to keep explaining himself. And the next person he spoke to didn't always explain that what they were doing. He kept being given conflicting information and at one stage the wrong form to complete. He had to visit the branch four times and the overall impression is that the various departments couldn't really make clear to Mr P what needed to be done.

Also, I think Mr P had made it clear that his father wouldn't have been able to respond to requests for information or for his signature. I think Lloyds' efforts to chase this up added to the time it took to resolve the online access matter. As I've said, I'm not looking at the other business accounts but it isn't really clear to me why it took so long to resolve T's account as opposed to the other business accounts.

Mr P has told us that there was nearly £100,000 in T's account, which could have invested and earned interest. The issue was with the online banking. Mr P had access to telephone or in branch banking and could have transferred money out of the account. Indeed, I note that substantial amounts were transferred out of the account in early July, before the online banking issue was resolved. So, I won't make any further award in this request. The same applies to the bank charges which were a nominal sum of £7 a month.

So overall I think compensation should be paid for the inconvenience caused to T by its director being tied up with phone calls, branch visits and form filling. I should emphasise that any personal costs incurred by Mr P aren't included for reasons I've set out above. I think the Investigator's proposal to increase the compensation by £100 is fair and reasonable.

Putting things right

Lloyds should pay T a further £100 compensation.

My final decision

I uphold the complaint and require Lloyds Bank PLC to pay T a further £100 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask T to accept or reject my decision before 29 July 2025.

Ray Lawley
Ombudsman