

The complaint

Mrs B complains that Lloyds Bank PLC revoked access to Internet banking for her son Mr B when they registered a replacement attorney under her power of attorney (POA) document. Mr B represents Mrs B.

What happened

Lloyds had registered a power of attorney under which Mr B and his father acted as attorneys for Mrs B. After his father died, Mr B arranged to amend the POA so that Mrs B's other son could act as a replacement attorney. When Lloyds received the amended document, it said that it didn't provide for how the two attorneys would act, whether jointly or jointly and severally. It says that it took advice from the Office of the Public Guardian (OPG) which said that in the absence of such an instruction, the attorneys would act jointly.

At this point, Mr B's access to internet banking was revoked. Lloyds says that it later received instructions that the attorneys were to act jointly and severally. It says it tried to contact Mr B to explain that he had to re-register for Internet banking. Unfortunately, it failed to tell him this when initially responding to his complaint. It finally did so in its final response letter of 21 January 2025 and paid £50 compensation.

Mr B didn't agree. He said he had been in touch with the OPG which said it didn't give instructions on how to operate POAs. He pointed out that the original POA appointed attorneys to act jointly and severally. And that he had been advised by the OPG that a replacement attorney would act on the same basis. If he and his brother were required to act jointly and there was no Internet banking this would have caused great difficulty to them as they don't live close to each other

On referral to the Financial Ombudsman Service, our Investigator said that as Lloyds had acted on instructions from the OPG it hadn't done anything wrong initially. However, as it took six weeks to arrange for Mr B to be re-registered for Internet banking, she said that Lloyds should pay a further £750 compensation.

Both parties agreed to the compensation. However, Mr B said that Lloyds had not explained what it meant by "no signing rights" when it received the amended power of attorney.

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.

Lloyds said that when it received the amended POA, it did not specify whether the attorneys were to act jointly, or jointly and severally. So, it says it contacted the OPG which advised that in the absence of such instruction the attorneys would act jointly.

The only documents I've seen are the original POA, which makes it clear that the attorneys

are to act jointly and severally, and page one of the amended POA which essentially strikes out the name of the attorney to be removed. Mr B's brother was always on the document as replacement attorney but had to register his appointment as full attorney with the OPG.

I've not seen evidence of the phone call that Lloyds made to the OPG. The adviser made the following note: "*replacement attorney has come forward - no signing rights on how the replacement attorney can act- have spoken to the OPG and they have advised because of this the attorneys will now have to act jointly- new POA notes to follow- tried to call the original attorney however no answer- facilities have been cancelled. e-mail sent to the attorney advising this.*"

I understand Lloyds to say that after that it received instructions that the attorneys were to act jointly and severally. I'm not clear how it received those instructions but it is clear that once it had established this it didn't tell Mr B for six weeks that he would have to re-register for internet banking.

Mr B says he doesn't understand what Lloyd meant by saying that there were "*no signing rights*". There is a later note that says "*signing rights – individually*", so I take it that this was just another way of explaining that the attorneys could now act jointly and severally in respect of the bank account.

I don't think that Lloyds has really justified its stance here. As the OPG's guidance says that where a replacement attorney is appointed, they act in the same way as set out in the original power of attorney. I've seen no document to suggest otherwise.

The essential point of this complaint is that Lloyds, wrongly in my view, revoked Mr B's Internet access. It took five days for it to resolve how the attorneys were to act, and although it attempted to contact Mr B by phone, didn't explain this for some six weeks. It has paid £50 compensation and is willing to pay a further £75. And Mr B has accepted this. That in my view is a fair way to resolve the complaint.

I should advise that the complainant is Mrs B. Any compensation is in respect of distress and inconvenience caused to her. I don't have the power to award compensation to Mr B directly even where he has suffered personal inconvenience.

Putting things right

Lloyds should pay a further £75 compensation.

My final decision

I uphold the complaint and require Lloyds Bank PLC to provide the remedy set out under "Putting things right" above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 14 August 2025.

Ray Lawley
Ombudsman