

## The complaint

Mr H complains about the way Lloyds Bank PLC dealt with his requests for a payment arrangement and that it allowed his ex-partner access to his current account.

## What happened

In 2023, Mr H reached out to Lloyds over the phone for help with managing his overdraft. He said he wanted to set up a repayment plan for £50 per month to reduce the amount owed. Mr H didn't think Lloyds treated him fairly during this call, he said that it encouraged him to agree a repayment plan of £100 instead.

The current account was opened in 2020. Mr H says his ex-partner at the time would take control of his finances against his wishes which caused him to fall into debt and financial difficulties. He said Lloyds issued his ex-partner with a debit card for Mr H's sole current account. He says he provided Lloyds with evidence of the challenging domestic situation he was in, but it refused to refund any payments taken by his ex-partner or to write off any of the outstanding balance to assist his financial difficulties. Lloyds didn't agree it had acted unfairly.

I sent Mr H and Lloyds my provisional decision on 9 September 2025. I explained why I didn't think the complaint should be upheld. I said:

*Mr H has provided us with sensitive details of the challenging circumstances he faced in his relationship with his ex-partner. I'm sorry to hear about the impact this had on him – and continues to have. I want to assure Mr H that I've taken into consideration everything he's told us when deciding what I think a fair and reasonable outcome ought to be.*

*Broadly there are two key issues in dispute, the first is how Lloyds dealt with Mr H's request for assistance when in financial difficulty, specifically when requesting a repayment plan over the phone. And second, his liability towards transactions carried out by his ex-partner on his current account. I'll deal with each of these issues in turn.*

### Financial difficulties

*I've listened to the phone call between Mr H and Lloyds which took place in 2023. Having done so, I can understand why Mr H found this call frustrating. I don't think Lloyds' call handler dealt with the call particularly well. Having said this, Mr H's explanation of his financial circumstances during the call also changed several times, which I think did contribute to some of the overall confusion in the call.*

*The Lloyds call handler asked repeatedly for information Mr H had already provided, at times failed to understand what Mr H was saying concerning his bonus payments and overall I think just fundamentally failed to grasp the crux of what Mr H was asking for, which was to set up a repayment plan of £50 per month, avoid his account being closed and avoid a default being applied. At no point, despite Mr H asking the question directly, did the call handler make it clear whether a £50 repayment plan*

*was something that would be acceptable to Lloyds.*

*However, I also have to acknowledge that before agreeing to the repayment plan Lloyds did need to understand Mr H's financial circumstances to ensure any arrangement was affordable and sustainable. And, after completing its income and expenditure assessment on the phone initially it showed that Mr H was already overcommitted each month by almost £1,000. This meant he could not afford £50 per month. I can therefore understand why Lloyds' initial reaction was to suggest that the only appropriate solution was to close the account and register a default.*

*As Mr H didn't want that to happen, he provided details of additional income by way of a regular bonus and that his partner would begin contributing to half the rent and bills from the following month. While the conversation then became protracted and somewhat confused, this was partly down to Mr H providing differing bonus figures making it more challenging to establish exactly what his expected monthly income actually was. But I also think the Lloyds call handler contributed to this confusion too.*

*Eventually, both the call handler and Mr H could agree that Mr H was able to afford £100 per month on a three month repayment plan. While throughout the call Mr H insisted he wanted a plan for £50 a month, he did, although seemingly reluctantly, accept he could also afford £100 per month.*

*I think the call lasted longer than it should have done and could have been handled better by Lloyds. However, I'm not persuaded Mr H was forced into agreeing to something he couldn't afford based on what he disclosed about his financial circumstances. Further, I note Mr H made no repayments under the agreed plan anyway. Yet despite not making any repayments, Lloyds kept his account open, didn't register a default and didn't charge him interest.*

*Given Mr H made no payments towards the plan, Lloyds would have been entitled to register a default and close the account. So, although the call could have been handled better, taking all the circumstances into consideration in the round, I think Mr H is arguably in a better position already than he ought to be in when considering what actions could have been taken on the current account by Lloyds. I'm therefore not persuaded that Lloyds needs to do anything to put things right in relation to a call that could have been handled a little better. I think it has already treated him fairly overall, when taking into consideration all the circumstances.*

#### *Transactions by Mr H's ex-partner*

*Mr H doesn't appear to have notified Lloyds until 2023 about any domestic concerns he had with his ex-partner. So, I don't think it could reasonably have been on notice of any potential issue until that point.*

*I've reviewed the transaction history of Mr H's current account and I've not seen anything in the way the account was managed prior to 2023 that I think ought to have caused Lloyds any concerns. The account appeared to be used for every day living expenditure and whenever it dipped into an overdraft it was quickly brought back up to date again.*

*I haven't seen anything to persuade me that Lloyds ought to have done something differently in the way it monitored and managed Mr H's current account prior to 2023. Therefore, I've seen no reason why Lloyds should be responsible for compensating Mr H for anything his ex-partner may have done.*

*I've noted that Mr H's ex-partner was issued with a debit card on the account. However, Lloyds has been unable to explain when this was, why it was granted, how it was authorised and when the card was removed from the account. What it has found a record of is a request from Mr H shortly after the account was opened in 2020 to make the account a joint account. However, that request was rejected as Mr H needed to complete a specific form.*

*Lloyds has identified that only three transactions took place on Mr H's current account using the card issued to Mr H's ex-partner. These transactions all took place in the space of one week and around five weeks after Mr H had made a request to make the account a joint account. The transactions were for £10, £130.28 and £85.99.*

*While Lloyds hasn't been able to find any information relating to the issuing and cancelling of this debit card, it seems that providing access for his ex-partner to his current account was something Mr H was seeking to do at the time. If he wasn't, he wouldn't have applied to make the account a joint account. I accept he may have been coerced into doing so, but I can't see that this would have been obvious to Lloyds at the time.*

*Even if I thought Lloyds had acted unfairly in granting a debit card to Mr H's ex-partner, I can't fairly conclude Mr H suffered any loss as a result. This is because only three transactions were debited, which didn't cause the account to go overdrawn. Further, I can see that Mr H's ex-partner paid money into Mr H's account at that time which was substantially more than the three relatively modest payments that were debited. So, overall, Mr H received more money into the account in that time from his ex-partner than was debited using the debit card.*

*I accept fully what Mr H has said about the challenges with his relationship with his ex-partner. However, I don't think any of those actions or any financial losses flowing from that relationship, I can fairly say ought to be attributed to Lloyds. This is because I can't see that it should have taken any action sooner to prevent or limit the spending on the account. Even if it shouldn't have granted a debit card to his ex-partner (which is debatable), I can't see that this specific action led to a financial loss for Mr H given that his ex-partner also deposited funds exceeding the amount of those debits into the account.*

*I realise Mr H has been through a very challenging time, however, based on everything that's been presented here, I can't fairly say Lloyds needs to do anything to put things right.*

Lloyds accepted my provisional decision, but Mr H didn't. He said I had ignored the issue that Lloyds had sent his ex-partner a debit card for his sole account without any authorisation. He said this was a data protection breach. The payments coming into his account from his ex-partner were to cover other direct debits due to go out at the time. The fact he made payments into the account didn't give him authority to take money out of it. He said there was no evidence to show he had given authorisation for a card to be issued.

### **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 reached the same outcome I reached in my provisional decision and for the same reasons. However, I'll address the additional points Mr H has made and explain

why they don't change my view on what is fair and reasonable in the circumstances of this complaint.

I agree with Mr H that there is no evidence to show that he authorised a card to be issued to his ex-partner. In fact, there is simply no evidence at all relating to how the card came to be issued. What is available is evidence indicating that a few weeks before the card was used for the first time, Mr H had enquired about making the account a joint account. So, it seems likely he was looking to authorise his ex-partner to have some use of the account at that time.

However, I accept it is possible Mr H didn't authorise for a card to be issued and Lloyds acted unfairly in some way by allowing another party access to Mr H's account without his authority. But even if I was to agree that is what happened, I'm not persuaded for the reasons I gave in my provisional decision, that this has caused any material loss to Mr H for which Lloyds would be required to compensate him for.

This service is not the regulator of the financial services industry, and my role is not to fine or punish a firm if they have done something wrong. Any awards I make are not intended to be punitive. They are intended to put right any loss suffered by the complainant in the specific individual circumstances of the complaint I'm considering. As I explained in my provisional decision, only three transactions debited Mr H's account using the card issued to his ex-partner. The total of these debits was for £226.27, and his ex-partner also credited the account around the same time with sums significantly exceeding that figure.

Mr H says those deposits by his ex-partner were to cover other direct debits due to come out, but the three transactions appeared to relate to normal household expenditure, and the transfers into the account from his ex-partner were also labelled as covering household costs. Taking everything into consideration, I'm not persuaded there was any material financial loss caused even if Lloyds had made an error (which is arguable).

I note Mr H has referred to a data protection breach, but I've not seen that any specific data about Mr H was disclosed to an unauthorised third party by Lloyds and what loss this hypothetical data breach may have caused him that Lloyds need to compensate him for. I realise this situation has been very upsetting for Mr H, but I'm not persuaded that even if Lloyds acted incorrectly, it needs to do anything to put things right as I can't see any material loss has been caused.

### **My final decision**

For the reasons given above, I don't uphold this complaint.

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

Tero Hiltunen  
**Ombudsman**