

The complaint

Mrs J complains about the customer service she received from Lloyds Bank Plc ('Lloyds') in relation to a cash withdrawal made in branch.

What happened

Mrs J had a current account with Lloyds. In August 2024 Mrs J attended branch alongside a builder to make a cash withdrawal for £1500 to pay for works she was having done to her property.

Mrs J said she was forced to attend the branch by the builder who pressured her into making a payment and threatened her. She said the builder came to the cash desk with her initially and then stepped back when she asked him to. Mrs J said the cashier asked her if the builder had done work and she said he'd done 'some' of the work. She said the cashier then asked her if she was under pressure and/or stress and she said she was, but the cashier still allowed her to withdraw the funds. Mrs J said the cashier handed the funds to the builder, not to her.

Mrs J then attended the branch again the following week to explain she was unhappy with what had happened and wanted her money back. She said that during this conversation the staff made her feel guilty that the cashier could be sacked because of her allegations. The staff also advised Mrs J to go to the police and get a crime reference number. Mrs J was of the understanding that she was making a complaint during this visit, but no official complaint was raised.

After going to the police, Mrs J returned to branch in January 2025. She said the police had advised her Lloyds ought to have called the police when the withdrawal was made. Mrs J said that during this visit staff once again made her feel uncomfortable about the job risk to the cashier. Mrs J found out no complaint had been raised and asked for this to be done as she wanted her funds returned - she felt that had Lloyds done what it ought to have, she wouldn't have paid all of this money to the builder. She was told a complaint couldn't be raised for her in branch.

Mrs J later raised a complaint. She was unhappy about the withdrawal and about her further interactions with branch staff; she felt she had been discriminated against on the basis of her race. Lloyds responded to the complaint in May 2025. It said that it was unlikely staff would have given Mrs J the money if she'd said she was under duress. It noted that the follow up interactions in branch left Mrs J feeling distress and it agreed a complaint should have been raised in branch for her. It apologised and paid her £200 compensation.

Lloyds also confirmed that based on what Mrs J had told it about the dispute she was having with the builder, this was a civil matter and so it couldn't consider this under industry guidance known as the Contingency Reimbursement Model (CRM).

Mrs J remained unhappy and brought her complaint to our Service.

Lloyds provided us with evidence including testimony from its branch staff as follows:

- The cashier recalled Mrs J coming into branch at a later date asking why he let her have the funds. He said he wouldn't have handed over money to someone who said they were under duress and would always ensure money was handed to the account holder.
- The manager who served Mrs J in August 2024 didn't recall the interaction but said none of the branch staff would hand over cash if they were told a customer is under duress. She said this sort of risk is something her staff were particularly alive to.
- The staff member who served Mrs J in January 2025 said Mrs J's version of events kept changing so they made contemporaneous notes on the system. They felt Mrs J was quite confused.

Our Investigator looked into things but didn't think Lloyds needed to do anything further to resolve the complaint. Mrs J disagreed so the complaint was passed to me to decide.

After reviewing the complaint, I was minded to reach the same outcome as the Investigator but for different reasons. So, I issued a provisional decision so that both parties could have the opportunity to comment before a final decision was given. In brief, my provisional decision said that I wasn't persuaded the cashier ought reasonably to have been alerted to a problem in branch that day. I did think Mrs J received poor service when she attended branch following the initial cash withdrawal, but I felt the £200 compensation Lloyds had already paid was fair in the circumstances. So, I wasn't going to ask Lloyds to do anything further.

Lloyds accepted my provisional decision. Mrs J was unhappy and made further points. In particular, she disagreed with Lloyds' suggestion that in the end she would have to pay all the money to the builder anyway. She shared text messages which indicated she didn't have to pay all of the money to the builder at the point the cash withdrawal was made.

I am now in a position to issue a final decision on this complaint.

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'm really sorry to hear about the very difficult circumstances Mrs J found herself in with this builder. I don't doubt the serious impact this incident had on her and I was sorry to hear about her ongoing health issues.

I'd like to start by confirming that based on what Mrs J has told Lloyds about the nature of the work carried out by this builder, I think it was reasonable that Lloyds didn't review this under the CRM. I say this as Mrs J confirmed that the works were completed by the builder and that they did further work after the branch visit, but that she was unhappy with the quality and felt they'd caused damage. So, this is a private civil dispute, rather than a scam, and so broadly the provisions in place to provide reimbursement, such as the CRM, would not apply. This means that what I need to consider next is whether Lloyds made any errors here in the service it provided Mrs J, and if so what the impact of these errors were.

The cash withdrawal

Mrs J has said she feels Lloyds discriminated against her when the cashier didn't take any action to prevent this withdrawal despite the fact they knew she was being pressured. I understand the reasons why she feels this withdrawal shouldn't have happened, and in the absence of an explanation for why this went ahead, I can also understand why she feels like

this. But, having looked at all the evidence, I don't think Lloyds has acted unfairly or unreasonably – I'll explain why.

There is no branch CCTV available. And there is a clear discrepancy between the testimony of the cashier and Mrs J. In circumstances like this, where evidence is incomplete or conflicting, I have to decide what I think is most likely based on the available evidence.

I'd like to make clear that I don't doubt Mrs J's testimony that she felt pressured and intimidated by the builder when she was in branch. But the question I need to consider is whether this ought reasonably to have been apparent to the cashier who allowed her to withdraw money.

The factors that Mrs J has said ought to have alerted the cashier to a problem are: Mrs J's demeanour (facial expressions and shaking); her verbal confirmation she was being pressured; the fact she said only some of the work had been done; the builder joining her at the counter when the money was being counted and taking the funds from the cashier.

The evidence indicates that given the amount of money Mrs J was withdrawing, there were no set questions the cashier needed to ask Mrs J in relation to this withdrawal. So, if the cashier asked her if she was being pressured, I think it is more likely than not they had concerns. But Mrs J's testimony is that no further questions were asked, nor action taken in response to her confirming she was being pressured. When weighing up the evidence to decide what happened, I do think it would be unlikely that a cashier would have taken the time and care to ask this question but then failed to take any action in response. If the cashier was being negligent, I don't think they would have asked. And if they had concerns and were approaching the interaction with enough diligence to ask Mrs J if she was being pressured, I think it's more likely than not they would have taken action in some way, for example getting advice, asking further questions or phoning the police.

I think it's also relevant that Mrs J's testimony about this branch visit hasn't been entirely clear. I've listened to the call she had with the complaints manager at Lloyds. Mrs J was clearly and understandably distressed by her interactions with this builder and by having to go back over what had happened. And I don't doubt this impacted the way she handled this call. But I also can't overlook the fact that her testimony was confused, for example she didn't provide answers to some of the questions the complaint manager asked about the visit (how many people were around in the queue, whether the cashier gave the money to the builder or her) and at certain points in the call she answered questions in one way and then added additional detail which indicated those answers were incorrect ie. she was asked if she had a contact telephone number for the builder, said no, but then said that he wasn't answering her calls and confirmed she did have a contact telephone number.

In addition, a shift in testimony was noted by the branch staff member who spoke with Mrs J in branch in January 2025 – the contemporaneous notes state Mrs J *'kept changing what happened that day'* and that she told them the money *'was put on the machine and person from behind took the money and then she changed the story that he gave the money in her hand.'*

I'd like to be clear that I am not questioning Mrs J's integrity, but I am saying the evidence indicates her recollections are not entirely clear. And whilst this is completely understandable given how upsetting she found her interactions with the builder, it leads me to place less weight on them.

I've thought about the point Mrs J made that she was asked by the cashier if the builder had done some of the works already and she confirmed he had done 'some' of the works. But I don't think the fact the works were not completed ought reasonably to have alerted the

cashier to a problem either as she hasn't suggested there was any discussion about the fact this was the outstanding balance or that it was contrary to the payment agreement they'd made in advance. Indeed, I think that if the cashier was asking about the purpose of the withdrawal when there was no requirement on them to do so, this suggests they were approaching this interaction with diligence - and this is another reason why I don't think they'd have failed to take action if there were clear indicators that there was a problem.

For the same reasons, I am also not persuaded that the cashier handed the money directly to the builder. I note the evidence indicates Mrs J wasn't consistent on this point in branch in January 2025 and she didn't answer the complaint handlers' questions about this when she was asked over the phone either. And so, I think it is more likely than not the funds were handed to Mrs J in line with Lloyds' protocol and the cashier's testimony.

So, taking everything into account, I am not persuaded the cashier ought reasonably to have been alerted to a problem in branch that day such. It follows that I won't be asking Lloyds to reimburse Mrs J the money that she withdrew.

Follow-up branch visits

Thinking about Mrs J's further visits to the branch in August 2024 and January 2025, Mrs J is unhappy with the fact that a complaint wasn't raised because she wanted Lloyds to investigate what happened with her branch visit and refund her money. Mrs J says she was made to feel guilty about raising concerns. She also feels that she was discriminated against in branch in August 2024.

I'd like to make clear that I am unable to award compensation for complaint handling in isolation. But given that what Mrs J was seeking from these interactions was an investigation into the cash withdrawal and a refund of her funds, I have considered these follow up visits within this decision as I consider them sufficiently linked to the matter at the heart of this complaint.

Once again, we have limited evidence here and no CCTV. There are contemporaneous notes made by the staff member in January 2025, I have Mrs J's testimony and that of her son, but I note the manager didn't recall the August 2024 visit.

In terms of the August 2024 branch visit, having carefully considered the evidence, I think it is more likely than not that Mrs J made clear she was unhappy that the cashier had allowed her to withdraw cash when she attended the previous week. I say this as Mrs J and her son both recall her being told that the cashier could lose their job. If Mrs J had not expressed dissatisfaction during this branch visit, I don't think such a comment would have been made. And I note that Mrs J's testimony that this was said has been consistent and has been corroborated by her son's testimony. I also don't think it is implausible that the manager would say this, particularly if they felt it was unlikely this would have happened (as the manager's testimony indicates was the case).

I don't know how or why this was said. But regardless of the reasons or context, I think this comment caused Mrs J distress and made her feel as though her concerns were being dismissed. Given I think Mrs J expressed dissatisfaction during this conversation, I think the matter ought to have been appropriately investigated and a complaint raised. Whilst I appreciate the manager and Mrs J may have finished this conversation with a different understanding of the next steps, I think it was the manager's job to be clear about what the next steps were and to guide Mrs J through this process, including her right to make a complaint if she felt Lloyds was responsible for the fact she'd paid these funds to the builder. And I think the fact a miscommunication occurred, despite the presence of Mrs J's son who

similarly witnessed her raising concerns, indicates that there was more likely than not a failure to properly explain things and support Mrs J during that branch interaction.

It is also accepted that the branch incorrectly refused to raise a complaint on Mrs J's behalf in January 2025, instead directing her to raise her complaint via different means if she wanted the matter investigated. And I think this makes it more likely that the branch failed to support Mrs J when she visited in August 2024.

So, on the balance of probabilities, I do think Mrs J received poor service when she attended branch following the initial cash withdrawal. Which means I need to consider the impact of this on Mrs J.

I note Lloyds has accepted that it provided Mrs J with poor customer service in these further interactions. Mrs J believes that what Lloyds did went beyond poor customer service and she felt discriminated against. I can understand why Mrs J feels this way, and I do think Lloyds hasn't quite grasped how its actions have made Mrs J feel.

Mrs J has also said the stress of the entire situation exacerbated her health issues. It is also clear she was caused distress and inconvenience by having to repeat herself on multiple occasions and attend the branch twice before Lloyds investigated. But I also think it's fair to say that a large portion of the distress Mrs J experienced at that time was caused by the builder's actions, something Lloyds isn't responsible for.

I note Lloyds has already paid Mrs J £200 and this is in line with the sort of award I would have directed it to make for the impact of its service failings on Mrs J. It therefore follows that I don't think Lloyds needs to do anything further here.

My final decision

My final decision is that Lloyds Bank Plc has already paid Mrs J £200 to settle the complaint, and I think this offer is fair in all the circumstances.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs J to accept or reject my decision before 10 February 2026.

Jade Cunningham
Ombudsman