

The complaint

Mr F complains about the administration of his Lloyds Bank PLC credit card.

What happened

Mr F opened a credit card with Lloyds. The credit card carried an offer: 0% interest on purchases for six months, and 0% interest on balance transfers for 29 months.

A short while after opening the account, Mr F contacted the bank to query the specifics of the 0% offer. Unfortunately, Mr F was provided incorrect information; he acted upon it too, and he paid off his full balance – to avoid paying interest – under the impression that he needed to act urgently.

Mr F didn't, in fact, need to pay off his balance at that time. So, he complained to Lloyds about the misinformation he was provided. Initially, the bank didn't uphold Mr F's complaint; following Mr F's referral to this Service, however, Lloyds changed its view. It accepted that it had provided wrong information, acknowledged how Mr F had acted upon that information when he didn't need to, and offered £150 compensation to Mr F – along with an apology – to put things right.

Mr F didn't accept Lloyds' offer. An Investigator here reviewed what had happened; having done so, they agreed that the bank had done something wrong. That said, the Investigator thought Lloyds' latest offer of £150 compensation was fair and reasonable in the circumstances.

Mr F disagreed, and he asked for an Ombudsman's decision. Fundamentally, Mr F didn't think Lloyds' compensation offer went far enough. So, as no agreement has been reached, Mr F's 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 don't think I need to determine whether or not Lloyds did something wrong here. All parties acknowledge that it did, and there's little sense in covering ground which all are agreed upon. Indeed, Mr F himself has said the only aspect he continues to disagree with is the level of compensation on offer. So, the focus here is how Lloyds should put things right; specifically, whether it's now done enough to reach a fair and reasonable resolution to Mr F's complaint.

It's also important for me to explain I haven't commented on each and every statement Mr F has made. Instead, I've focussed on what I deem to be the crux of the matter. That's because our role is to be an informal service; I don't intend any discourtesy in my approach, it's simply to align with that purpose.

Mr F, clearly, doesn't consider Lloyds offer to go far enough. I understand his perspective, and I certainly don't mean to diminish the effect he says this matter had on him, but I don't

see things in the same way. Instead, I think Lloyds has now made an offer which is appropriate in the circumstances. That will, no doubt, be disappointing for Mr F; but I think £150 compensation, and Lloyds' sincere apology, is a reasonable way to resolve things. Lloyds has also said it will ensure no interest is charged to Mr F, and that's surely the right thing to do; I know it's a point that's particularly important to him given his faith.

The fact is that the "right amount" of compensation isn't an exact science; it isn't a one-size-fits-all formula, or a specific process, and it is, by its very nature, subjective. After all, the value Mr F puts on a particular event, or alleged consequence of Lloyds' actions, is specific to him alone.

In any case, it's clear this matter did impact Mr F, and I'm left in no doubt over how frustrating it would've been to him to have acted upon incorrect information. It's also true to say, though, that Mr F always would've had to repay this debt at some point; and as I understand it, he didn't incur any unnecessary costs, or increase his exposure to debt, to pay off the balance by, for instance, borrowing elsewhere to fund a payment to Lloyds.

Moreover, while Mr F has referenced how the money he used to pay his balance could've been set aside for other purposes, like an investment, for example, that isn't grounds to conclude a consequential financial loss has categorically occurred here. I've nothing to show Mr F incurred an *actual* loss as a result of Lloyds' misinformation, as opposed to a hypothetical one.

Overall then, there's no question Lloyds made a mistake and that Mr F was put to some distress and inconvenience as a result. My view though, is that the bank has now offered to put things right in a fair and reasonable way. I think £150 compensation, a sincere apology, and reassurance that no interest will be charged is, in the circumstances, sufficient to resolve the matter. So, it follows that Lloyds should settle the complaint as it's offered to do.

My final decision

My final decision is that Lloyds Bank PLC has now made an offer which is fair and reasonable in all the circumstances.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 5 March 2026.

Simon Louth
Ombudsman