

The complaint

Mrs P complains Lloyds Bank PLC wouldn't raise a direct debit guarantee claim for her. She also complains about the handling of her claim and subsequent complaint.

What happened

Mrs P has an account with Lloyds Bank. She's told us that she has serious health problems and English isn't her first language.

In August 2025 Mrs P contacted Lloyds Bank asking to make a claim under the direct debit guarantee scheme. She said that she'd just discovered a direct debit for just over £20 was still going out of her account even though this was for a gym membership. She said that she'd joined the gym on a one-month trial basis in 2017 and had then cancelled.

Mrs P says Lloyds Bank rejected her claim saying that she should have noticed earlier. She was very unhappy about this and ultimately complained to our service.

One of our investigators looked into Mrs P's complaint but didn't recommend it be upheld as they didn't think Lloyds Bank had acted unfairly. Mrs P was unhappy with our investigator's recommendation and so asked for her complaint to be referred to an ombudsman for a decision. Her complaint was, as a result, passed to me.

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 can see that Mrs P complained to the gym in question and it explained why her subscription wasn't cancelled on its system. I can also see that the gym offered to refund her one year's worth of payments as a gesture of goodwill. That looks like it's more than the gym would normally offer as a gesture of goodwill, and this may well be due to Mrs P's circumstances. My role isn't, however, to look into what the gym has or hasn't done. My role is to decide whether or not Lloyds Bank has acted fairly.

In a case where a customer makes a direct debit guarantee claim in relation to payments that have happened a considerable time ago, we don't think it's unreasonable for a business to carry out additional checks to make sure the scheme is being used as intended. That's because a business might, for example, wonder why a customer hadn't spotted the error they're complaining about earlier, especially where they've made a lot of payments.

In this case, given what I've just said, I don't think it was unreasonable of Lloyds Bank to ask Mrs P why she hadn't noticed the payments going out of her account earlier. And whilst I can see that she's told us that she has health problems and English isn't her first language, I don't think those are reasons enough for me to say that Lloyds Bank acted unreasonably in this case when it said that it wasn't going to go ahead with a claim. I've taken into account what the gym has said too about the membership not having been cancelled on its system.

I appreciate that this will be hugely disappointing for Mrs P who evidently lives on a tight budget and for who life clearly isn't easy. But, for the reasons I've given, I can't uphold this complaint.

My final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 19 March 2026.

Nicolas Atkinson
Ombudsman