

The complaint

Mr E complains that Lloyds Bank Plc unfairly blocked his debit card multiple times despite letting them know in advance that he would be making a large purchase. He also says the service he received from Lloyds when he called to have to have the block lifted caused him distress and inconvenience.

Mr E was asked to visit a branch with his identification, which he couldn't do as he was overseas. Additionally, when he did return to the UK he wasn't told he could visit another Lloyds group branch with his identification and instead was given a Lloyds location which was further away causing him more inconvenience.

What happened

Mr E says that Lloyds blocked his card whilst he was using it abroad. Mr E says he informed Lloyds before he travelled that he'd be in a different country and it still blocked his attempts to use his card.

Mr E says that after contacting Lloyds and being told that the block had been lifted he had further problems and had to make more calls but was still not able to get the card unblocked.

Lloyds provided the investigator with transaction logs which show they lifted the blocks on at least two occasions, but each time Mr E tried to use his card a further security concern was triggered.

Eventually Lloyds told Mr E that he would have to visit a branch in the UK with his passport to have the block removed.

As this wouldn't be possible for several days Lloyds suggested that Mr E use another card to cover his expenses while he was still overseas. He couldn't do this as he didn't have enough available credit on the other card he had with him.

Mr E says he incurred costs of £100 when calling Lloyds from abroad to get the blocks removed. Lloyds offered to pay Mr E £100 to cover these costs.

Our investigator said that Lloyds had acted fairly and reasonably when it blocked his card, and that she wouldn't expect it to have done anything differently.

She did think that the time Mr E spent on the phone to Lloyds was excessive, and that Lloyds should have made it clear to Mr E much sooner that it wouldn't be able to remove the block without him visiting a branch.

Lloyds apologised to Mr E for the stress and inconvenience caused by having to spend so much time on the phone with it to try to resolve the issue and offered to pay £100 compensation.

Our investigator agreed that the £100 offered by Lloyds to cover the cost of phone calls was fair, however she didn't think that £100 for distress and inconvenience was enough. She

asked Lloyds to increase this to £200 which they agreed to do.

Mr E didn't agree with this outcome and asked that the case be referred to an Ombudsman.

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 must make it clear that I have considered this case on its individual merits. I can't consider the outcome of any other cases that may have brought to this service previously. This is because every case is different.

I've listened to all the calls associated with this complaint. It's not in dispute that Mr E spent a significant amount of time on the phone trying to resolve this issue.

Mr E emailed Lloyds before he travelled to let it know that he would be using his card abroad and added an explanation of what he'd be buying. Mr E didn't receive any acknowledgement of this email. Lloyds has said this is because the address he sent it to is not valid.

However, even if Lloyds had received the email it would not have been able to override the security that's in place to prevent customers falling victims to fraud. The block on the card would still have been applied for any transactions that raised security concerns.

I think Lloyds acted in Mr E's best interests when it applied the block to his card, and so I don't think Lloyds acted unreasonably in applying the block to keep Mr E's account secure.

When Mr E became aware that his card was blocked he contacted Lloyds to get it removed. The block was removed by Lloyds on at least two occasions, but each time he tried to make a purchase a new block was placed on the card. This increased the level of security verification required and eventually Lloyds told Mr E that it needed him to provide his passport to unblock the card.

Mr E wasn't using his UK sim, and Lloyds was only able to send a passport verification link to Mr E's UK sim.

I can appreciate why Mr E wasn't using his UK sim given the associated call charges, but I understand why Lloyds couldn't use a telephone number they didn't have registered to his account.

Mr E swapped back to his UK sim so he could access the verification link, however he wasn't able to upload the passport for Lloyds to check. It's not clear what problem Mr E encountered when trying to do this.

Mr E also gave his passport details to an agent over the phone, but it couldn't be verified with the information he provided.

I can understand why Mr E found this frustrating, but I agree with the investigator that I wouldn't expect Lloyds to override a security process that's in place to protect its customers.

Lloyds made suggestions to try to help Mr E get access to funds, including transferring funds to his working credit card with another provider. Mr E has told us this wasn't a suitable option

as the funds would have taken too long to clear to his credit card account.

I understand that Mr E was inconvenienced but I was pleased to see that he was able to access funds the following day by making a transfer with a money remittance company.

Mr E was promised a call back by one of the agents he spoke to. This wasn't possible and I agree the agent should have known this and shouldn't have made this promise.

I also agree with the investigator that the calls were overly long, and that there were too many of them. Mr E should have been told sooner that there was nothing more that could be done to get the block removed until he was back in the UK and able to visit a branch with his identification.

I can understand that Mr E found the experience frustrating and stressful.

In making my decision I've also considered what Mr E has told us about travel time to the Lloyds branch once he returned to the UK.

Mr E has told this service that the costs he incurred in phone charges was £100. Lloyds offered to reimburse Mr E the full cost of the calls. I think this is fair and reasonable.

Lloyds also offered Mr E £100 for distress and inconvenience.

Our website explains our approach to compensation, and how we decide what's fair and reasonable.

I think Mr E experienced more inconvenience than I would expect during his calls to Lloyds when he tried to get the block removed from his card. For this reason, I agree with the investigator's view that the compensation offered by Lloyds should be increased to £200.

In summary I agree with the investigators view that Lloyds did nothing wrong when it blocked Mr Es card due to security concerns, but I also agree that Mr E was inconvenienced more than he should have been when to trying to resolve the issue.

For these reasons I partly uphold this complaint.

My final decision

For the reasons given above, my final decision is that I partly uphold this complaint.

I require Lloyds Bank Plc to:

- Pay Mr E £100 to reimburse the cost of calls
- Pay Mr E £200 compensation for the distress and inconvenience caused.

This brings the total amount I require Lloyds Bank Plc to pay Mr E to £300.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 1 April 2026.

Petina Edwards
Ombudsman

