

complaint

Mr R told us Lloyds Bank PLC ('Lloyds') stopped his use of partnership accounts. Lloyds also asked him to repay an outstanding debt on one of the partnership accounts.

Mr R is represented by a law firm.

background

Mr R and his former partner set up a partnership in 1987. Mr R tells us up until 2010/11 he handled the accounts for the partnership. He says he was unable to use the accounts in late 2010/early 2011. Lloyds closed the accounts in October 2011.

Lloyds – through its relationship manager – said that Mr R had told it he was going to retire. There is a note of this on Lloyds' file.

Sometime later Lloyds wrote to Mr R asking him to set up a new partnership account with his former partner. It did this, as it wanted to recover an outstanding debt. Mr R didn't agree to this and raised his concerns with Lloyds.

Lloyds said it thought Mr R was either thinking of retiring as a partner or handing the partnership over to his former partner. It had – at the time – told Mr R he didn't have to repay the overdraft on one of the partnership accounts. It was sorry for writing to him about the debt and offered him £350 compensation for its handling of the matter.

Lloyds also said it would consider paying Mr R's reasonable legal costs from 6 January 2014. It would need a breakdown of the costs showing their relevance to the complaint.

Our adjudicator thought Lloyds' apology, together with the payment of £350 and his legal costs was fair. Mr R didn't agree and asked for a final decision. He feels that Lloyds' actions caused him significant financial loss.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Lloyds accepts that Mr R was unable to use the accounts. It also accepts it asked him to repay the overdraft, when it had already told him he didn't have to repay it. It offered to pay Mr R £350 compensation for its handling of the matter and to pay his reasonable legal costs from 6 January 2014.

Mr R told us Lloyds' actions caused him to suffer a substantial financial loss. I've thought carefully about this, but I've not seen enough information to show Lloyds' actions caused financial loss.

There were two partnership accounts – one ending -5158 and the other ending -3234. I can see the address on the statements was changed at about the time Mr R stopped receiving information about the accounts.

The account ending -5158 had a small credit during the relevant period. The account ending -3234 had an overdraft facility of £20,000. The partnership made use of this facility when Mr R couldn't use the accounts. But Lloyds has already told Mr R he doesn't have to repay the

overdraft. I accept Mr R didn't have access to the accounts, but I've not seen enough evidence to show Lloyds' actions led to the financial loss Mr R has suffered. I think the financial loss was a result of the breakdown of Mr R's relationship with his former partner.

Overall Lloyd's offer of £350 compensation and payment of Mr R's legal costs (subject to a breakdown of the legal costs) of bringing his case to this Service was fair and reasonable.

my final decision

My final decision is that I do not uphold Mr R's complaint. I find Lloyd's offer to be reasonable in all the circumstances of the complaint. I simply leave it to Mr R whether he wishes to accept the offer to pay him:

- compensation of £350;
- his reasonable legal costs from 6 January 2014, subject to his representative providing a breakdown of Mr R's legal costs of bringing this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 11 April 2016.

Juliana Francis
ombudsman