

complaint

Mr I's unhappy Lloyds Bank PLC didn't reduce the amount he owed to £950.00 in April 2015. He says Lloyds agreed to this and although he tried to raise this afterwards, Lloyds didn't properly deal with his concerns. He's also had a number of problems with Lloyds since.

background

In September 2014, Lloyds put in place measures to help Mr I manage his overdraft. But during a conversation between Mr I and Lloyds in April 2015 it became clear Mr I was in long term financial hardship. During the discussion, Lloyds agreed to reduce the debt. Lloyds says it agreed to reduce it by £73.81 and that its notes from the time show this (although there's no actual recording of the conversation). On the other hand, Mr I says it agreed to reduce it by a further £28.43; down to £950.00.

Mr I tried to raise this with Lloyds later in 2015, but it didn't really understand his concerns. It did pay £50.00 to his account ending *****857; this £50.00 was made up of £20.00 to cover the phone calls he'd made and £30.00 for the distress and inconvenience it'd caused.

In March 2017, Lloyds recognised that it hadn't properly addressed the issue Mr I tried to raise in 2015. So it reduced the debt by £28.43 (even though it said it had only ever agreed to reduce it by £73.81). It also paid an extra £150.00 to account ending *****857 to apologise for not properly looking into his concerns earlier. And it offered to remove the default marker on Mr I's file if he repaid the debt by a certain date.

Mr I said he'd had to make lots of phone calls to sort this out. Lloyds checked its records and paid £130.00 to account ending *****857 which it said more than covered the calls it had records of. It also paid a further £25.00 to the same account.

There was then some confusion about whether the debt was with a collection agency or not. Lloyds gave Mr I incorrect information about this. So it paid a further £100.00 to account ending *****857 to apologise for this. It also offered to extend the time Mr I had to repay the debt and have the default marker removed.

Mr I didn't think Lloyds had done enough. He said he'd spent more on calls than Lloyds had refunded to him and said he hadn't received some of the payments.

Our investigator looked into things. She said the amount Lloyds had paid to cover the phone calls was much more than the cost of the calls she'd seen evidence of. And she didn't think Lloyds needed to do any more than it had already done.

It's now for me to make a final decision about this.

my findings

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

It's clear that Lloyds has made some mistakes in its dealings with Mr I over the last couple of years. But I'm happy with what it's done to put those things right. So I'm not planning to ask it to do any more.

Lloyds reduced the debt by the disputed £28.43 and made payments to more than cover the direct financial cost to Mr I. Including for the phone calls Mr I made. It also made a number of payments for the distress and inconvenience it has caused Mr I. And I think the amounts it has paid are reasonable in the circumstances.

I know Mr I didn't think he'd had all these payments. But I've looked at the records and I'm satisfied that the various payments were made; either to reduce the debt or paid into the account Mr I has with a different bank which ends *****857.

I can also see that Lloyds extended the deadline for Mr I to repay the debt and it remove the default marker on the account a number of times. I think it was right for Lloyds to have given Mr I a bit more time because of the mistakes it had made. But I don't think it needs to do any more than it's already done.

My final decision marks the end of our involvement in this dispute. Mr I should get in touch with Lloyds if he wants to discuss repaying the debt.

my final decision

I'm satisfied that Lloyds Bank PLC has done enough to try and put things right. So I'm not asking it to do anything more than it's already done.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 1 September 2017.

Graham Booth
ombudsman