

### **complaint**

Mrs J complains that Lloyds TSB failed to update the address it held for her, leaving her unaware that a default had been registered on an account that she held jointly with another person.

### **our initial conclusions**

Our adjudicator concluded that Lloyds TSB had failed properly to action the change of address information that Mrs J had provided to it, resulting in notification about the default registration not being received by Mrs J. He also noted that Mrs J had initially been given incorrect information in the branch when she discussed the debt on the account. He considered that, if things had been handled properly, Mrs J could and would have taken prompt steps to agree a repayment plan to avoid default registration. The adjudicator proposed that Lloyds TSB remove the default and unwind the collections process to give Mrs J a fresh chance to agree a repayment plan.

Lloyds TSB did not agree, saying that Mrs J could have been more active in the matter and that the terms of the joint account allow it to require both signatures to any changes.

### **my final decision**

To decide what is fair and reasonable in this complaint, I have considered everything that Mrs J and Lloyds TSB have provided. I do not accept that Lloyds TSB could ignore the new address unless the other account holder signed a form. Mrs J had, as a fact, moved to another address and had told Lloyds TSB. I consider that Lloyds TSB should have taken account of that when issuing formal notifications to her about the debt. Mrs J did not realise what had happened – she had previously demonstrated that she wanted to deal with the debt by visiting the branch, where she was given wrong information. Lloyds TSB has paid Mrs J £75 in consideration of that wrong information, but I agree with the adjudicator that the fair outcome here is that Lloyds TSB should now remove the default and, essentially, allow Mrs J a fresh chance to reach a reasonable repayment arrangement with it for this debt.

**My final decision is that I uphold this complaint. I direct Lloyds TSB Bank Plc to remove the default it registered against Mrs J and recall the debt from its agents so that it can be managed by Lloyds TSB with an option for Mrs J to take out a repayment plan.**

**Under the rules of the Financial Ombudsman Service, I am required to ask Mrs J either to accept or reject my decision before 30 May 2013.**

*Jane Hingston*

*ombudsman at the Financial Ombudsman Service*

The ombudsman may complete this section where appropriate – adding comments or further explanations of particular relevance to the case.

## **ombudsman notes**

### **what is a final decision?**

- A final decision by an ombudsman is our last word on a complaint. We send the final decision at the same time to both sides – the consumer and the financial business.
- Our complaints process involves various stages. It gives both parties to the complaint the opportunity to tell us their side of the story, provide further information, and disagree with our earlier findings – before the ombudsman reviews the case and makes a final decision.
- A final decision is the end of our complaints process. This means the ombudsman will not be able to deal with any further correspondence about the merits of the complaint.

### **what happens next?**

- A final decision only becomes legally binding on the financial business if the consumer accepts it. To do this, the consumer should sign and date the acceptance card we send with the final decision – and return it to us before the date set out in the decision.
- If the consumer accepts a final decision before the date set out in the decision we will tell the financial business – it will then have to comply promptly with any instructions set out by the ombudsman in the decision.
- If the consumer does not accept a final decision before the date set out in the decision, neither side will be legally bound by it.