

complaint

Mrs K is unhappy about disputed transactions on her credit card. Lloyds Bank PLC (previously Lloyds TSB Bank PLC) refunded some but not all of the disputed cash withdrawals.

background

Mrs K disputed three gambling transactions totalling £500 and cash machine withdrawals totalling £1,840 that occurred in December 2011. Lloyds initially refunded the gambling amounts but re-debited Mrs K's account when it found her fraud declaration had not been received or had been misplaced. In September 2012, Mrs K sent a second copy of the declaration. Lloyds then refunded the gambling transactions (£500) and a cash machine withdrawal of £200 plus interest of £82.50. It also agreed to pay Mrs K compensation of £100 for her inconvenience and £100 to cover the cost of telephone calls. It declined to refund the remaining £1,640 of cash machine withdrawals.

However, latterly, Lloyds has agreed to refund the total amount of disputed transactions together with interest of £300 and charges of £168.

Mrs K remains unhappy that the bank will not reimburse the cost of her mobile phone calls dealing with the complaint. She is also unhappy that her credit limit has been reduced as well as online access to her account removed.

The adjudicator concluded that Lloyds settlement offer was fair and reasonable. Mrs K disagrees. She remains unhappy that her mobile phone costs have not been factored into the settlement offer and that she is worse off than she was before the fraud occurred.

my findings

I have considered all the available evidence and arguments to decide what is fair and reasonable in the circumstances of this complaint.

I have sympathy with Mrs K and her distress and inconvenience resulting from the fraud on her account. I agree with the adjudicator that Lloyds' offer to refund all of the disputed amounts and to reimburse interest and charges together with £200 compensation is fair and reasonable.

I note Mrs K is unhappy that her mobile phone charges will not also be refunded. I have looked at Mrs K's statements and find one entry for mobile costs. As I am unable to determine how much of the amount debited of the bill of £92 related to this complaint, I do not consider it reasonable to require Lloyds to pay her an additional sum in relation to mobile costs. I accept Mrs K says she has sent Lloyds further evidence of her mobile costs which she says amount to over £970 but as this has evidence has not been provided to this service I am unable to find that these costs should fairly be reimbursed. Rather, I consider the offer of £100 compensation for her costs covers this amount.

I note that after the adjudicator made his recommendations Lloyds has offered to refund additional interest charged on the account as a result of Mrs K declining to reduce her balance until this complaint was finalised. I consider this to be fair and reasonable in all the circumstances. However, I note that as a result of Mrs K declining to make the payments on the card, her credit limit has been reduced and her online access to the account removed.

While I appreciate Mrs K was inconvenienced as a result of this, I do not find Lloyds to be at fault in reducing Mrs K's limit or removing her online access. I am satisfied it took these steps when she failed to make payments on her card. I consider this to be a matter falling within the commercial discretion of Lloyds and not something the Financial Ombudsman Service would normally interfere with.

Finally, while I accept Mrs K was inconvenienced by the delay in dealing with her complaint I consider the compensation offered by Lloyds to be fair and reasonable in all the circumstances and in line with awards made by the service in similar cases.

my final decision

My final decision is that Lloyds Bank PLC should take the following steps in full and final settlement of this complaint:

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- Refund any of the disputed amounts not already refunded;
- Refund £340 interest in relation to the disputed transactions plus £85.61 interest applied in September 2012 on the disputed balance at that time;
- Refund £168 charges; and
- Pay Mrs K £200 compensation for her distress and inconvenience and to compensate her for her costs.
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Zoe Copley
ombudsman