

complaint

Mr and Mrs G say that Lloyds Bank PLC has not helped them with their financial situation. This has led to a large debt now being owed.

background

Some of the issues being complained of are some ten years old. Mr and Mrs G's complaint is that had Lloyds acted differently, then they would not now have a large debt owing. This debt is in the region of £400,000.

I do not propose to deal with all of the complaints individually. I know that Mr G, in particular, has had regular contact with this service and is aware about much of what is contained in this decision. I am also aware that he feels that further information has come to light which he says questions the actions of Lloyds even further. He knows that any new and additional complaints must be dealt with separately – giving Lloyds the opportunity to respond.

To summarise the current complaint, Mr and Mrs G say the following:

- That Lloyds cannot reasonably pursue them for the debt which they currently owe;
- That Lloyds failed to adequately advise and explain changes to accounts, charges and restructuring of debts;
- That Lloyds promised fee free banking but did not deliver, instead charging an unreasonable amount of charges and interest;
- That pressure was placed on Mr and Mrs G to make decisions which were not in the best interest of either themselves or their business;
- That the support from the relationship managers at Lloyds was inadequate.

Our adjudicator considered Mr and Mrs G's complaint and, for the most part, told them that he did not think that Lloyds had done anything wrong. He reminded Mr and Mrs G that the offer of £4,905 was still available from Lloyds – this was to cover any excess charges on a previous loan where it had already repaid the overcharged interest.

But Mr and Mrs G were not happy with this response. They made further, detailed submissions and asked for an ombudsman's decision.

my findings

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

Dealing with the Mr and Mrs G's concerns as outlined in their initial approach to this service, I am broadly in agreement with the adjudicator.

There are some aspects to this complaint that this service cannot consider. These relate to issues concerning a limited company, a company in liquidation and a third party who acted as agents for Mr and Mrs G rather than Lloyds. The first two cannot be considered as they cannot be represented by Mr and Mrs G. As for the third party's actions – I am satisfied they

were acting for Mr and Mrs G so Lloyds cannot be held responsible for anything that they may have done.

Turning to the aspects that this service can consider, I should point out that we have only had limited information from Lloyds. This is not a criticism – I would not expect a business to document papers indefinitely.

Helpfully, Mr and Mrs G have provided their email contact with the bank over a number of issues and very often, it has been these emails that reliance is placed on when making the findings that I do.

So, I make the following findings:

- I cannot say that Lloyds have acted unreasonably in pursuing the debt owed by Mr and Mrs G. Whilst an offer had been made for a monthly repayment, I cannot see that this was ever in relation to the current debt. In fact, to date, I have not seen any proposals from Mr and Mrs G as to how they propose to repay this debt;
- I cannot say that Lloyds offered inadequate advice or did anything wrong when dealing with changes to the accounts and restructuring of Mr and Mrs G's debts. Unfortunately, no documents are available from either party to show the agreement reached in relation to the restructuring of loans however, I have taken into account what Mr G says about this advice. Based on what I have seen and heard, I think that the bank's actions have been fair
- I cannot see that fee free banking was ever promised. Although I note that Lloyds has made an offer of £4,905 which it says covers the repayments of fees and interest (fairly and unfairly incurred);
- Mr and Mrs G could reasonably have been expected to seek additional legal and financial advice if they were unsure about products and services offered by Lloyds. I have not seen anything to suggest that Lloyds is responsible for placing undue pressure on them to accept its offers and advice on products;
- The email communication between Mr and Mrs G and their relationship manager does not show any signs of there being any issues until Mr G's relationship begins to break down between himself and the bank.

So, taking into account everything that I have seen and heard, I think that the offer of £4,905 is a fair and reasonable one. I cannot ask Lloyds to pay Mr and Mrs G any more.

I know that Mr G does not agree with my decision. This matter has been going on for some years now and I appreciate the upset and inconvenience that this has caused to both Mr and Mrs G. They have my genuine sympathy for the situation that they find themselves in. But I would remind them both that the debt with Lloyds remains outstanding without any reasonable proposals to repay. This really needs to be addressed as soon as possible.

my final decision

My final decision is that Lloyds Bank PLC must pay Mr and Mrs G the sum of £4,905 to cover excess charges.

Under the rules of the Financial Ombudsman Service, I am required to ask Mr and Mrs G to accept or reject my decision before 27 November 2015.

Shazia Ahmed
ombudsman