

The complaint

Miss S complains Lloyds Bank plc (Lloyds) provided poor customer service when she queried the changes to her bank account.

What happened

Miss S says in mid-March 2023 she contacted Lloyds to query the changes to her Club Lloyds account. Miss S says she was looking for an explanation why the monthly deposit to that account was being increased from £1,500 to £2,000 per month to avoid a monthly fee. Miss S says no one from Lloyds could give her a satisfactory answer as to why the changes were being implemented and after being initially cut off, she had to make further phone calls to formally lodge a complaint.

Miss S says Lloyds offered £20 by way of apology for the poor customer service which she rejected and then had to make a series of other phone calls chasing the progress of her complaint as she wasn't prepared to wait up to eight weeks for her complaint to be considered. Miss S says Lloyds paid her £40 by way of compensation for the poor service she had received, without speaking to her first and Lloyds dismissed her request for a higher sum.

Miss S doesn't feel the offer of compensation goes far enough for the trouble and upset this has caused.

Lloyds says it wrote to Miss S in January 2023 explaining the changes that would take place to her Club Lloyds account in April 2023 and this was a business decision it had taken. Lloyds says it accepts it could have provided better service to Miss S when she telephoned them about those changes and her comments have been noted for future consideration. Lloyds feel the £40 it has paid Miss S for the service shortfalls is fair in the circumstances.

Miss S wasn't happy with Lloyds' response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator felt Lloyds acted fairly when it increased the amount that was needed to be paid into the bank account to avoid the monthly fee and had written to Miss S three months earlier to advise that. The investigator agreed Lloyds could have provided better service to Miss S when she raised her query about this, but the compensation it had paid her was sufficient.

Miss S didn't agree with the investigator's view and asked for the matter to be referred to an ombudsman for a final decision.

What I've decided – and why

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

Having done so, I won't be upholding this complaint and I will explain how I have come to my

decision.

I can understand it would be frustrating for Miss S to learn of the changes to her Club Lloyds account and then in her view not to have received a satisfactory explanation why this was from Lloyds. When looking at this complaint I will consider if Lloyds have adequately compensated Miss S for the service she received when she initially raised her concerns about the changes to her Club Lloyds bank account.

The first thing to say here is it's not the role of this service to scrutinise Lloyds' complaints process or to tell Lloyds how it should deal with complaints more widely. I know Miss S is unhappy with the way Lloyds have prioritised her complaint – but my role is to look at what's fair and reasonable in the individual circumstances of a complaint. And so, I will be looking at Miss S's complaint about the service issues she experienced. All I would say is we would expect banks like Lloyds in these circumstances to provide an update to a consumer within eight weeks, even if Miss S feels that's longer than she would wish.

While I understand Miss S wasn't happy with the changes to her Club Lloyds account, I can see she was given nearly three months-notice of this by Lloyds in January 2023, and I am satisfied that is a business decision it is able to make. That said, this is not the centre of Miss S's complaint, her issue surrounds the poor service and in her view the lack of meaningful explanation she was given when she raised this with Lloyds in mid-March 2023.

Here Lloyds have accepted its normal service standards weren't met and say this has been noted for the future and apologised to Miss S for that, paying her £40 for the inconvenience. While Miss S doesn't think this amount goes far enough, it's not my role to penalise businesses when service issues arise but to ensure that lessons are learned from that, and an apology is given, and I am satisfied Lloyds have done that here. With that in mind I am satisfied the level of compensation Lloyds have paid Miss S is fair and reasonable in the circumstances of this complaint.

While Miss S will be disappointed with my decision, I won't be asking anymore of Lloyds here.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 8 November 2023.

Barry White
Ombudsman