

## **The complaint**

Mrs M complains that Lloyds Bank PLC blocked transactions and gave poor customer service when she attempted to authorise the payments.

## **What happened**

Mrs M tried to make a payment to a family member on 9 December 2022. The transaction was blocked as a high risk transaction by Lloyds automated systems. Mrs M was asked to contact Lloyds to authorise the payment.

Mrs M says it took too long for her to get through to an agent who then wasn't happy to approve release of the payment despite telling them the money was hers to do with as she chose and there'd be a financial penalty if the payment wasn't made. She was told she had to go to a branch with identification.

The branch contacted Lloyds' fraud department when Mrs M visited and was told if there were doubts over the genuineness of the payment, the Banking Protocol may be used – part of which includes calling the police. The branch decided the payment was genuine and it was sent that day. Mrs M however raised a complaint because of the time she'd spent dealing with the issue and the attitude/actions of Lloyd's staff.

Lloyds issued its final answer and partially upheld the complaint by accepting the customer service hadn't been up to standard. It apologised and paid £60 as compensation.

Later in December, another payment Mrs M tried to make was blocked. She was again asked to contact Lloyds. She called it but had to speak to three separate agents before getting to the right person. When Mrs M spoke to the third agent, the call was terminated because Mrs M refused to provide her personal details despite the agent explaining why they were needed. Mrs M was told she needed to visit a branch.

Mrs M went into branch on 21 December 2022 and the payment was made the same day. She raised a further complaint because she said the payment shouldn't have been blocked; she was unhappy with the delays in speaking to staff, their attitude/actions and the time it had taken for the transfer to be completed

In its final answer, Lloyds apologised for the wait times and paid a further £35 compensation for this inconvenience. But it didn't uphold the remainder of Mrs M's complaint points.

Mrs M remained unhappy and brought her complaint to this service. One of our investigators looked at what had happened and said Lloyds had dealt with the complaint appropriately and the compensation paid was in line with what we'd have suggested. So, they didn't ask Lloyds to do anything further.

Mrs M disagreed and asked for her complaint to be reviewed by an ombudsman. It's therefore been passed to me to decide.

### **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.

Mrs M has raised many points in her complaints, I've read and considered all that's been said. I hope Mrs M won't take it as a discourtesy that I haven't responded to each point she's raised. Our role, as a dispute resolution service, is to deal with complaints quickly and with the minimum of formality. That means we focus on the crux of the complaint and work out what, if anything, needs to be done to put things right.

Having done so, while I appreciate Mrs M's strength of feeling about what happened - overall, I agree with the investigator that £95 is fair compensation. I'll explain why.

Mrs M has said she wanted to make payments to family members and how she spent her money was her decision to make. So, she's unhappy Lloyds prevented the payments being made. And I can understand why Mrs M has said this – the transactions she was making were genuine. But the starting point here is that businesses like Lloyds are expected to have security measures and procedures in place to safeguard customers' accounts and prevent fraud so far as possible. What those procedures are, and how they are carried out is for Lloyds to decide. That's not something this service becomes involved in. But we can look into whether Lloyds followed its procedures and treated Mrs M fairly and reasonably.

Lloyds says both transactions were identified by its automated fraud prevention software as being potentially high risk. Once the transactions had been highlighted, a message was sent to Mrs M asking her to contact the fraud department. Mrs M did as she was asked to do, but when she was speaking to the agents on the telephone, they still didn't feel comfortable that the transactions were genuine. To safeguard Mrs M and her money, they asked her to visit a local branch with identification so a member of branch staff could carry out the necessary checks. Having looked at Lloyds procedures, I'm satisfied the agents both on the phone and in the branch acted in accordance with those procedures and treated Mrs M fairly.

I've next looked at the interactions Mrs M had with various members of Lloyds staff over the course of the two blocked transactions and listened to the phone calls. Lloyds accepts the service it gave Mrs M wasn't as it should've been and gave £95 as compensation. I agree that the agent on the first call on 10 December 2022 could've been more empathetic. The fact they weren't, in my opinion, made the experience worse for Mrs M. And the first agent on 19 December 2022 transferred Mrs M to an incorrect section of the fraud department. I consider these to be service failures by Lloyds. But in respect of the other calls, I don't think the agents did anything wrong and I don't consider any of them acted inappropriately or spoke rudely to her.

Finally, I've looked at what inconvenience Mrs M has experienced. I understand she is very frustrated by the length of time it took to have the blocks removed. Lloyds accepts that the wait times both on the phone and in the branch were longer than it would've liked them to be. And that's another reason why Lloyds paid compensation. Mrs M says she's had additional costs because of the delays. I've seen no evidence that Mrs M had to pay any additional costs because of the blocked payments and the need to visit branches. I therefore don't find any reason to ask Lloyds to pay anything towards the additional costs Mrs M claimed for.

Overall, I find that £95 compensation is a fair and reasonable amount of compensation for the inconvenience caused to Mrs M.

### **My final decision**

For the reasons given above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 1 February 2024.

Stephen Farmer  
**Ombudsman**