

## **The complaint**

Mrs R complains about the service she received from Lloyds Bank PLC when she called for account information and in relation to a complaint she raised.

## **What happened**

Mrs R called Lloyds on 26 July 2023 to locate the date and the amount of a BACS transfer she had made a few years ago. She said she didn't go through any security checks via the automated system or the agent she spoke to who referred to her by her full name. Mrs R said the agent didn't know what a BACS transfer is and so Mrs R ended the call.

When Mrs R called back she made a complaint about the first agent and the lack of security. The second agent offered £40 compensation for this, but Mrs R declined and requested a full investigation. A few weeks later Lloyds tried to call Mrs R, but she didn't pass security.

Lloyds responded to Mrs R and upheld her complaint about customer service, but not that she wasn't taken through security. Lloyds said as no account specific information was given on the call it wasn't a breach of data. Mrs R noticed that the complaint handler had credited her account with £40 which she didn't want, and she called Lloyds back to request its removal. She said she wanted an explanation as to what had happened. Mrs R said Lloyds told her it couldn't take back the compensation, and so she re-opened the complaint.

Mrs R said the next day she received a call back from Lloyds' complaints handler to confirm that Lloyds would not uphold the part of the complaint about its' security. Mrs R said she is very upset with the level of customer service she has received and how her complaints have been handled. She referred her complaint to our service to investigate.

Our investigator didn't recommend the complaint be upheld. She said Mrs R called Lloyds and went through its' automated phone system and input her date of birth, and combining this with her phone number enabled Lloyds to automatically pull up her account for its agent. The investigator said this is enough for Lloyds to address a customer by their full name. She said no account specific information was given and so full verification wasn't required.

The investigator said BACS payments aren't usual from a current account, but advice was given to Lloyds' agent about this. She said Mrs R spoke to another agent who completed full security and helped with her query, and offered £40 compensation for the previous call, but Mrs R declined. Lloyds called Mrs R about her complaint, but she failed security, so it wrote and paid £40 compensation. The investigator said Lloyds had reached the right outcome but in line with Mrs R's wishes she would ask it to take back the compensation.

Mrs R was unhappy with this response and requested an ombudsman review her complaint. She said the investigator had failed to explain how a complaint against an individual can be investigated by themselves. She expressed concerns about Lloyds' complaint handling and her complaint has been passed to me as an ombudsman to review.

## **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.

I was sorry to learn that what should have been a straightforward enquiry has turned into a prolonged and drawn-out experience. Part of my role is to determine whether what took place was reasonable and whether Lloyds has followed the process correctly.

Mrs R would like a detailed explanation as to why she wasn't taken through security on her first call and an explanation why the same complaints handler was investigating the second complaint points about herself as Mrs R feels that was a conflict of interest. She would also like the £40 compensation removed as she doesn't want compensation.

From Lloyds records it appears that when Mrs R called with a payment query she only entered her date of birth onto its system and its first agent addressed her by name. Mrs R is correct that at this point she had not completed full security via Lloyds' system or its staff.

However, along with Mrs R's phone number Lloyds' system was able to identify her and it said that its process then permits its agents to address a customer by name. I think this is Lloyds normal process and I don't see any issue with this so long as further verification is carried out before customer account specific information is divulged by an agent.

From the call recording, Lloyds' agent only provided general information, and not specific information about Mrs R's accounts. No account specific information was provided until full identification was completed. I'm satisfied that no further level of customer verification would have been needed at that stage of Mrs R's call.

Following Mrs R's unsatisfactory conversation with the agent, a Lloyds' manager spoke to her and completed the security checks in order to provide Mrs R with the information she required. The manager also took details of Mrs R's complaint.

I think in an ideal situation, Mrs R would have been fully verified by Lloyds at the beginning of her call, however I can't see that there was a breach of data protection when Lloyds addressed Mrs R by name at the start of the phone call. But ultimately breaches of data protection legislation are best dealt with by the Information Commissioner's Office rather than this service.

Mrs R was unhappy that Lloyds' agent was unsure as to the nature of a BACs payment. Lloyds has explained that this is not a usual form of payment from a personal current account. I agree, but I'm pleased Lloyds has provided advice to the agent as ideally Lloyds' agents would be aware of all types of payment methods.

Mrs R wants to know why the same complaint handler investigated her re-opened complaint points. Lloyds said this was in line with its complaint handling process and is usual in these circumstances. As our Investigator explained, complaint handling isn't a regulated activity and so it's outside the jurisdiction of this service complaints. This means complaints about complaint handling are not ones that we can consider and so we can't review how Lloyds conducts its business in this respect.

Mrs R would like the £40 compensation removed from her account as she didn't want compensation and hadn't agreed this payment. I can see this was the main reason Mrs R wanted her complaint re-opened and if she confirms this to Lloyds then it should now remove this payment.

Having reviewed all of the available information, I have found that Lloyds has reached a fair and reasonable outcome to Mrs R's complaint, and I haven't seen anything of concern. I hope Mrs R understands that as I haven't any error on Lloyds' part, I am unable to uphold it.

**My final decision**

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs R to accept or reject my decision before 8 July 2024.

Andrew Fraser  
**Ombudsman**