

The complaint

Miss Z complains that Lloyds Bank PLC hasn't provided her with the service it should have when she made payments towards her loan account.

What happened

Miss Z had a loan with Lloyds. She says that she made two payments towards her loan but these weren't both showing on her account. She then didn't receive the service she should have when trying to understand what had happened to her payments and raise her complaint. She says her complaint was closed after being told it would be escalated.

Lloyds issued a final response letter dated 12 October 2023. It apologised for the poor service Miss Z had received both on the call and due to her complaint not being escalated. It arranged to pay her £75 because of this. It said that feedback would be provided on the agent's service, and it would make sure any training needs were addressed. Regarding the payment to Miss Z's loan account, it said that while two amounts credited Miss Z's bank account with a description 'debt' on 4 August 2023, these weren't paid to Miss Z's loan account at that time.

Our investigator didn't uphold this complaint. He agreed the service provided when Miss Z was trying to understand the payments to her loan account wasn't as it should have been. But he said that Lloyds had acknowledged this, and he thought the £75 paid for the service issues was reasonable.

Miss Z didn't accept our investigator's view. She didn't think that £75 was sufficient given the distress and upset she had been caused.

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 can understand why Miss Z is upset by the experience she has had. For me to uphold this complaint I would need to be satisfied that Lloyds had done something wrong or not treated Miss Z fairly and that it hadn't done enough in response to this.

Miss Z contacted Lloyds about payments made to her loan which should have settled her account. Having looked at Miss Z's account statements these show that two payments (for £19.87 and £16.08) were made from another account into her Lloyds bank account on 4 August. The description for these payments was 'debt'. So, while I appreciate that Miss Z may have thought these payments would be made to her loan account this didn't happen at that time. Miss Z's direct debit payment to her loan of £19.87 was then made on 10 August and a further payment was made for £16.08 on 11 August. This settled her loan.

Based on the evidence I have seen I do not find I can say Lloyds did anything wrong regarding the payments to Miss Z's loan account. However, while Miss Z was trying to establish the payments that had been made to her loan account, she wasn't provided with

the service she should have been.

I have listened to the call that has been provided and it is clear that Miss Z had already experienced service issues before this call. Miss Z sounds distressed on the call as she tries to understand why payments haven't been made to her loan account. While the agent does try to assist, they aren't always clear with the information being provided and as Lloyds has noted there are periods of silence and Miss Z is put on hold for an extended period. This isn't the service that Miss Z should have received. Miss Z then asked to raise a complaint and while this was done, a mistake was made, and the complaint wasn't escalated.

I can understand why Miss Z is upset by the service she received, and I note her comments about making multiple calls and that had the correct action been taken sooner she wouldn't have needed to have the call with the sales agent that caused her a great deal of stress. However, having considered the issues she experienced and noting that Lloyds did acknowledge and apologise for the service issues in its final response letter, I find the £75 compensation it has paid for the distress and inconvenience Miss Z has been caused is reasonable.

So, while I agree that Lloyds didn't provide Miss Z with the service it should have, as I find the compensation it has paid is a reasonable response to the issues raised, I do not require it to do anything further. Therefore, I do not uphold this complaint.

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 Z to accept or reject my decision before 4 April 2024.

Jane Archer
Ombudsman