

The complaint

Mr D complains about Lloyds Bank PLC (Lloyds) after they rejected a cheque that he attempted to pay in due to an issue with the account into which he tried to pay the cheque. Mr D says this caused him inconvenience and distress.

What happened

In January 2024, Mr D used Lloyds' banking app to pay a cheque into what he considered to be a joint account he held with two other parties; the cheque was payable to one of the other two parties. Lloyds wrote to Mr D rejecting the cheque as the account into which Mr D tried to pay it was solely in Mr D's name.

Mr D contacted Lloyds to question this, maintaining the account in question had always been in joint names and was opened as such. He explained that even the account title contained the word 'joint' and the initials of the other parties. Lloyds confirmed that the account had in fact always been in Mr D's sole name, hence the cheque rejection, and had never had any other parties to it. As a result, Mr D logged a complaint with Lloyds.

Lloyds investigated the complaint and declined it. They explained what happened saying they rejected the cheque as the payee differed to the name on the account, which was solely Mr D. They concluded by saying the account in question had always been in just Mr D's name and this was the case since opening in 2006.

Remaining unhappy, Mr D brought the complaint to our service which an investigator looked into, and did not uphold. They said that the current status of the account was solely in Mr D's name therefore, Lloyds made no error in rejecting the cheque. They also said evidence from Lloyds of notes made when the account was opened only make reference to one account holder and, a statement solely addressed to Mr D confirms this too. Our investigator added that a card and PIN were only issued to Mr D after opening. And finally, in terms of why the account title mentions the word 'joint', Lloyds offer the facility for a customer to amend the title of the account, and it was more plausible that this occurred, rather than any error made by Lloyds.

Unhappy with this outcome, Mr D requested an ombudsman review his complaint.

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 have looked at the information Lloyds has supplied to see if it has acted within its terms and conditions and to see if it has treated Mr D fairly.

If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. No discourtesy is intended by me in taking this approach.

Before I come to other aspects of the complaint, I want to say that I agree with the investigator's findings that no error was made in Lloyds rejecting the cheque. They were presented with a cheque to pay into the account of only Mr D, which had a different payee name; therefore, they were within their rights to reject the cheque.

In terms of why Mr D feels so strongly that Lloyds changed the account from joint to sole names without any notification, that's not clear despite what Mr D has sent to Lloyds and this service. Equally, there seems no reason how this would benefit Lloyds. Overarching these questions is the significant fact that I've not seen any evidence that Lloyds made this change, deliberately, or in error.

I now turn to the evidence I have seen which leads me to believe that the account was opened in the name of Mr D. I've seen a statement for the account only addressed to Mr D, whereas a joint account statement normally reflects all the names on that account. I've also seen notes from the account opening which don't mention anyone else other than Mr D. Combining the above with the fact that no other cards and PINs were issued, and the fact that a joint account was successfully opened a year after this account was, everything I've seen overwhelmingly influences me that the account in question was always in Mr D's name only.

I know Mr D has asked to see the original application form from 2006 but Lloyds have been unable to provide it. I don't think that's unreasonable considering the length of time the account has been open, but I acknowledge this has made this complaint more challenging to investigate.

Finally, I do acknowledge that Mr D has supplied several screen prints that show the word 'joint' in the account title, along with the initials of the people who he considered were joint parties. But in light of the facility that Lloyds provides that allows account titles to be amended by customers, I can't say with any certainty why the title shows as it does. Although on the balance of probabilities, it's more likely this was amended by Mr D at some point since opening.

I know Mr D will be disappointed with my decision but as I stated earlier, I have to base my decision on the evidence and facts presented and in the absence of anything to the contrary, I cannot uphold the complaint issue and consequently cannot ask Lloyds to do anything more.

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 Mr D to accept or reject my decision before 19 June 2024.

Chris Blamires

Ombudsman