

The complaint

Mr M complains that he received a poor level of service from Lloyds when he got in touch with the bank about closing an account.

What happened

Mr M complained to Lloyds in October last year, after he says he experienced poor service via the bank's online chat service. Mr M says he contacted Lloyds to arrange the closure of his account and was made to wait for an excessive amount of time. Mr M is also unhappy that:

- in the chat, Lloyds said that it would transfer the 'small amount of interest' in his account – Mr M found this to be offensive
- Lloyds telephoned him regarding his complaint, even though he'd asked to be contacted via email and input the number zero multiple times in the telephone number box when submitting his complaint,
- Lloyds sent him two letters offering £50 compensation, but he's only received one payment of £50.

In its response, in addition to paying compensation, Lloyds acknowledged that Mr M spent a long period on its online chat but pointed to its messages advising that he need not keep the app open. Lloyds apologised for attempting to call Mr M and explained that the two letters that were sent to him were duplicates. Lloyds added that no offence was intended by what was said to Mr M over its online chat service.

Remaining unhappy, Mr M asked this service to review his complaint. Mr M says the poor service he received made his anxiety and depression worse. He wants Lloyds to pay £5,000 compensation to put things right.

Our investigator asked Lloyds to increase its compensation payment to £100, pointing to a lack of clarity on the bank's part when communicating with Mr M via the online chat service. The investigator also felt that the bank could've sent its response to the complaint via email instead of by letter. Lloyds agreed to pay another £50. Mr M didn't accept our investigator's view, so the complaint has been passed to me to decide.

What I've decided – and why

I'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome.

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

I share the investigator's opinion on this complaint – I'll explain why:

- Lloyds says it is standard practice for it to make telephone contact when a complaint is made. However, the bank accepts that it was unreasonable of it to have telephoned Mr M when he'd specifically requested email contact. The bank apologised and paid him £50 compensation because of this. Although I can understand that this would've been upsetting for Mr M, I can't see that he suffered a loss or experienced an unreasonable degree of detriment because of what Lloyds did wrong. So I'm satisfied that the £50 Lloyds has already paid is a fair way to put things right.
- I've reviewed both the letters Mr M was sent, explaining that Lloyds had decided to pay him £50 compensation. I'm satisfied that the second letter Mr M received is a duplicate, so I don't find it reasonable to expect Lloyds to agree to Mr M's request that it pay him the additional £50.
- Lloyds hasn't been able to provide a reasonable explanation on why it couldn't send Mr M its complaint response via email. I also haven't seen anything on the file that suggests it would've been unreasonable for it to have done so. As Mr M points out, the bank seems to have engaged with Mr M via emails after its complaint response was sent to him, so I can't see why Lloyds couldn't have done this in the first instance.
- I've seen a transcript of the online chat interaction Mr M complains about. I can see that Mr M was told that he'd have to wait an hour for someone to respond and was told that it could be a little longer. However, it wasn't until around 9 hours later that an advisor joined to assist Mr M. I think this was an unreasonable wait time and I can understand why Mr M felt frustrated and distressed by this.
- I think Lloyds provided a poor service to Mr M by giving him inaccurate information on how long he can expect to wait. However, I also note that Mr M was advised that he need not keep the app open – just that he needed to ensure his device was set to receive notifications. So I'll be instructing Lloyds to pay Mr M additional compensation to put things right. I agree that an additional £50 is fair and reasonable.
- I've also reviewed the comment about interest that was made by the advisor. I'm sorry to hear that Mr M was left distressed by this, but I don't think it was unreasonable for Lloyds to have explained things in the way that it did.

For these reasons, I'm satisfied that an additional £50 compensation is a fair way to settle this complaint. I understand Mr M would like Lloyds to pay him significantly more in compensation, but I'm of the opinion that a total of £100 compensation fairly puts right the poor service Mr M experienced.

Putting things right

Lloyds acted unfairly when it provided Mr M with an inaccurate wait time via its online chat service. Lloyds also hasn't explained why it couldn't issue its complaint response by email – so I think it would've been reasonable for it to have done so.

To put things right, I'm instructing Lloyds to pay Mr M an additional £50 compensation.

My final decision

For the reasons above, I'm upholding this complaint. Lloyds Bank PLC should settle this complaint in line with what I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 26 July 2024.

Abdul Ali
Ombudsman