

## The complaint

Mr S complains that Lloyds Bank PLC switched his account to online statements only against his wishes and without a proper explanation.

## What happened

Lloyds wrote and emailed Mr S in October 2023 that it would send online statements from 1 November, and it set out ways in which he could view his account. Mr S said Lloyds gave a vague explanation about 'experiencing some issues', but the contract provides for two months' notice of any switch and offers an opt out. Mr S asked Lloyds to keep sending paper statements, but said that following a long and confusing online conversation Lloyds refused.

Mr S complained to Lloyds about this, but said Lloyds' final response and emails are confusing as to whether or not it would stop sending him paper statements and he didn't know what the situation was. He said Lloyds advised him he would receive a form to change preferences to continue to receive paper statements, but he didn't receive this.

Lloyds responded to Mr S's complaint to apologise that it hadn't been able to send as many paper statements to its customers as normal. It said as Mr S is registered for internet banking it had made a temporary change to send some statements digitally while it worked on some 'issues'. Lloyds said it would revert to paper statements for Mr S.

Mr S said he relies on paper statements at present and declined Lloyds' requests to change. He referred his complaint to our service and said Lloyds should have acknowledged its breach of contract, and provided a proper explanation of its actions. Mr S wants Lloyds to confirm it will keep sending him paper statements, and if not, *'provide proper compensation - £5/month would be in line with their own charges for repeat paper statements'*.

Our investigator didn't recommend that the complaint be upheld. She said that due to unforeseen circumstances Lloyds had not been able to give customers two months' notice about the temporary cessation of paper statements and had written to let Mr S know. The investigator said that Lloyds have assured us they have now updated his preferences. She said Lloyds had acknowledged a lack of clarity in its communication and paid Mr S £15 compensation, which she thought was fair.

Mr S disagreed with this outcome and requested an ombudsman review his complaint. He said Lloyds had breached the contract by not providing the agreed notice period or opt out and hadn't provided any explanation of the problem or shown that it had no alternative. Mr S said it's much more likely Lloyds had a problem with its service provider and made a commercial decision not to pay what was required to find a suitable replacement.

## 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 Mr S's arrangement to receive paper statements was temporarily interrupted and he felt that information from Lloyds was confusing and unhelpful.

In a letter to Mr S, Lloyds said it was experiencing some issues and couldn't provide paper statements to all customers. Lloyds said that statements would have to be online for a

temporary period. I can see Mr S was unhappy about this and made a number of contacts to Lloyds requesting to maintain paper statements.

Mr S doesn't think Lloyds was very clear about the reasons why he had to receive online rather than paper statements. I don't think Lloyds are obliged to share with Mr S the specific reasons why its experiencing issues with paper statements even though Mr S feels strongly that Lloyds were making the change for commercial reasons.

Lloyds did make it clear to Mr S that this was a temporary change while it worked on the issues it was experiencing. I'm pleased that Lloyds reinstated paper statements for Mr S quickly, after he made them aware he was unhappy (6 November 2023). And during this six-day period Mr S's account information was available to him online. Mr S has confirmed he is not missing any paper statements and said his complaint concerns his contractual rights.

I've looked at the terms and conditions of Mr S's account. It states that if he's registered for internet banking or uses the mobile banking app, Lloyds may send statements and other communications by post or digitally to his inbox. I'm satisfied this means Lloyds are entitled to send digital statements to Mr S as he's registered for internet banking. I think Lloyds treated Mr S fairly by giving him a month's notice of moving him to digital statements in its letter and providing online access to his account.

Mr S referred to the two-month notice period within the terms and conditions of his account. Unfortunately, due to unforeseen circumstances Lloyds couldn't give him two months' notice. I don't think Lloyds wanted to make a sudden change to the provision of account statements but said it doesn't have control in certain circumstances. Lloyds said it was only a temporary change and would not constitute a breach of the terms and conditions of the account. I can see that under the terms and conditions Lloyds may make changes to the agreement.

I move now to compensation. We're all inconvenienced at times in our day-to-day lives – and a certain level of frustration and minor annoyance is unwelcome, but to be expected. It's the impact of any errors made over and above that which we consider to determine if an award of compensation is merited, and if so, how much. Having seen that no financial loss or delay occurred, and Mr S was not without account information and has received all of the paper statements for his account, I find that a payment over and above what has already been paid is not warranted.

I think Lloyds could have been clearer in its communication to Mr S about the change, and it would have been preferable to have offered Mr S an opt out in its original letter. I'm pleased that Lloyds has acknowledged a lack of clarity. However, Mr S hasn't been adversely impacted as there were no statements produced on his account between the move to digital statements and Lloyds moving him back to paper statements. I think Lloyds has offered a fair resolution to this complaint as it apologised for the inconvenience caused and changed to Mr S's preference for paper statements very promptly.

Mr S has said that if I were to consider there was a breach, but it was fair and reasonable not to take any action, my decision should explain this. He said we have a legal obligation to take relevant law into account. I think Mr S is referring to the common law of contract. We are an alternative to the court and as such don't replicate their role and so a legal ruling concerning breach of contract would need to be obtained from the court. My role, from s.228 of the Financial Services and Markets Act 2000 requires me to decide if Lloyds has acted fairly and reasonably in its handling of Mr S's request for paper statements – and, having taken all the circumstances of this complaint into account including Mr S's contract and the common law of contract - I think that it has.

Lloyds has confirmed that it will continue to send Mr S paper statements until further notice. And so for the reasons I have given I won't ask Lloyds to do anything else. Mr S is worried that Lloyds might remove paper statements again in future. If that should happen Mr S can bring a further complaint to Lloyds and us about this.

I think it's important to explain that my decision is final. I have not issued a provisional assessment as requested by Mr S as I have followed the same principles and outcome as set out by the investigator in her assessment of the complaint. I realise that Mr S will be very disappointed by this outcome though I hope he appreciates the reasons why it had to be this way. By rejecting this decision all options remain open to him including the legal action he has mentioned.

### **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 S to accept or reject my decision before 1 October 2024.

Andrew Fraser  
**Ombudsman**