

The complaint

Mr A complains that Lloyds Bank PLC poorly handled his switch to a Lloyds current account, which resulted in him receiving his payments late.

What happened

The details of this complaint are well known to both parties, so I won't repeat them here again in detail. In summary Mr A applied to switch his account and was of the understanding that all his direct debits and incoming payments, such as his salary would be transferred without any problems.

In August 2024, following the account switch his salary didn't arrive into his new account as he expected. Lloyds explained as part of the redirection service offered through the current account switch guarantee the salary would arrive later that day. Mr A wasn't happy so complained. Lloyds offered Mr A £50 compensation for him not receiving his salary as he had expected because it felt it should have made the possible delay clearer to Mr A.

Unfortunately, his salary was delayed again in September 2024, so Mr A complained again. Lloyds explained it had advised Mr A's employers of the new account details, but they hadn't actioned them. So the salary payment was again made to the old bank account and had to be redirected to his new account, resulting in the salary again arriving later in the day to what Mr A was expecting. Lloyds didn't uphold the complaint on this occasion as it said it had let Mr A know he should provide his employer with the new details, and it had also contacted his employer with the new details so said it couldn't be held responsible for Mr A's employer not updating them.

Mr A remained unhappy so referred his complaint to this service. Our investigator considered the complaint but didn't uphold it. He said it was fair for Lloyds to recognise the inconvenience caused to Mr A for the first delay but didn't agree Lloyds acted unfairly for the later delay. He didn't think Lloyds could be held responsible for the delay as it had explained to Mr A that he should ask his employer to update the new details to avoid any delay in future.

Mr A didn't agree and says the switch was advertised as smooth and hassle free. But in asking him to get his employer to update the details wasn't what had been advertised. As an agreement couldn't be reached the complaint has been passed to me to make a final decision.

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 think it's important to firstly explain I've read and taken into account all of the information provided by both parties, in reaching my decision. I say this as I'm aware I've summarised Mr A's complaint in considerably less detail than he has. If I've not reflected something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of

the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is. This also means I don't think it's necessary to get an answer, or provide my own answer, to every question raised unless I think it's relevant to the crux of the complaint.

I understand that the switch of Mr A's account did not proceed as he might have expected. Lloyds are signed up to the industry *current account switch guarantee* and it says that the new current-account provider will take care of moving all payments coming in, such as salary. So I think Lloyds was responsible for making sure Mr A's salary payment was made into the new account. But there is nothing in the guarantee that says the redirection of payments will reach his account by a set time. However, I do agree Mr A's expectations could have been managed better around this, so I think the £50 offered by Lloyds was fair for the distress and inconvenience caused by the first delay.

I've also considered Lloyds' ongoing responsibility for ensuring the payments are made to his new account. And I am unable to find Lloyds made any error in regard to the second delay. As part of the switch guarantee Mr A's salary was transferred to his new account as required and on the same day as Mr A expected. I also don't think it was unreasonable that Lloyds would expect Mr A's employers to update his new current account details when it contacted them. I'm not persuaded Lloyds can be held responsible for the actions or inactions of third parties. Lloyds also advised Mr A as to how he could avoid the issue occurring again by asking him to contact his employers with his updated account details.

I note Mr A says he borrowed money from his parents, and I can understand this was inconvenient to him, but I'm satisfied this was not the result of any error by Lloyds. He received his salary the same day albeit a little later in the day than he expected, and I can't see there was any ongoing financial loss.

For me to uphold this complaint I'd need to find that Lloyds didn't do what was required by the current account switch guarantee, but I'm satisfied it has followed the required process in switching Mr A's current account.

While I appreciate Mr A will be disappointed with my findings, in the circumstances of this case, I'm satisfied Lloyds acted fairly and reasonably, and that no error occurred. So, I won't be asking them to do anything to put things right.

My final decision

For the reasons mentioned above, I don't uphold Mr A's complaint about Lloyds Bank PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 20 December 2024.

Jag Dhuphar
Ombudsman