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FCA publishes notice of Lloyds Banking Group settlement

The Financial Conduct Authority (FCA) has today published the findings of an investigation into the way Lloyds Banking Group communicated with home insurance customers about renewal of their policies between 2009 and 2017 and has imposed a penalty of £90,688,400.

The FCA's investigation found competitive pricing language that the Group used in customer renewal communications was not substantiated. The FCA also found that the Group informed customers that they would receive a discount which was not applied and was never intended to apply.

The Group has contacted those customers who were due a payment after being incorrectly informed between 2009 and 2017 they would receive a discount, and made a payment to them.

The FCA recognised the Group's cooperation during the investigation, that the breaches were committed inadvertently and that the Group has taken a number of positive steps to improve renewal communications and the associated systems and controls.

Statement attributable to a Lloyds Banking Group spokesperson:

"We're sorry that we got this wrong. We've written and made payment to those customers affected by the discount issue and they don't need to take any further action.

"We thank the FCA for bringing this matter to our attention and since then we've made significant improvements to our processes and how we communicate with customers."

ENDS

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