

The complaint

Mr K complains Lloyds Bank PLC (“Lloyds”) closed his account unfairly because its branch manager had a personal vendetta against him. Mr K also says Lloyds failed to call him back as promised.

What happened

The details of this complaint are well known by both parties, so I won’t repeat them again here in detail. Instead, I’ll focus on setting out some of the key facts and on giving my reasons for my decision.

On 28 August 2023, Lloyds wrote to Mr K that following an incident of verbal abuse on a call with one of its agents, it’s decided to close his account. Lloyds said this happened on 25 August 2023, and Mr K’s account would close in 30 days’ time.

Mr K strongly refutes that he had been abusive. And the reason why his account was being closed was because the branch manager had held a grudge against him from the time COVID measures were in place a few years previously. Mr K says he was exempt from wearing a face mask due to his health conditions and disability, but the manager didn’t accept this at the time which led him becoming aggressive towards him.

Unhappy with Lloyds’ actions, Mr K complained.

Lloyds didn’t uphold Mr K’s complaint. In short, it said a decision to close a customer account isn’t taken lightly, and it has decided to close Mr K’s account in line with its terms. Lloyds added it doesn’t have to provide an explanation nor any notice.

Mr K referred his complaint to this service. One of our Investigator’s looked into his complaint, and they recommended it wasn’t upheld. In summary, their key findings were:

- On the balance of probabilities, Lloyds fairly closed the account in the way it did and did so in line with the terms of the account
- Mr K says the branch manager had been rude and intimidating towards him. But there’s no way to know what really happened, and they can only reach an outcome based on the evidence that is available
- There’s no CCTV available for situations like this. But they’re satisfied the relationship with Lloyds has broken down, so they won’t be asking it to re-open the account
- On the call Lloyds was able to provide they can’t see Mr K was promised a call-back which he says never materialised
- The inaccuracy in Lloyds’ letter which says Mr K had been abusive on a call, when the issue was in branch, didn’t have a significant impact on him nor on the decision to close the account

Mr K didn't agree with what our Investigator said. He feels the outcome is grossly unfair and that this service should obtain the CCTV and do more to investigate his allegations about the branch manager mistreating him. And that the decision to close his account is malicious and without merit.

As there is no agreement, this complaint has been passed to me to decide.

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.

Having done so, I've decided not to uphold this complaint. I'd like to assure Mr K that I don't undervalue the strength of his feelings about this matter, and I think this complaint is quite finely balanced. I'll explain why.

Lloyds is entitled to close an account just as a customer may close an account with it. But before Lloyds closes an account, it must do so in a way, which complies with the terms and conditions of the account.

Lloyds informed Mr K that it had decided to close his account due to his abusive behaviour. From the information I've seen, I'm satisfied that Lloyds made an error in saying this alleged behaviour occurred on a phone call. I say that because the date of the alleged abusive behaviour, 25 August 2023, ties in with when he went into branch. The branch notes I've been given support this, which talk about his behaviour.

This is an unfortunate error on Lloyds' part, but I don't think it materially impacts the outcome of this complaint. That's because, and as I've said, Lloyds decided to close the account based on its evaluation of what happened in branch. So the decision to close the account isn't affected by this error.

This brings me to the crux of Mr K's complaint. That is, Lloyds closed his account unfairly because he had not been abusive, and the branch manager had initiated this action vindictively. I note Mr K says he felt bullied and intimidated. I'd like to assure him that I have taken this on-board and acknowledge the seriousness of what he says.

The terms and conditions of the account, which Lloyds and Mr K had to comply with, say that it could close the account by giving him at least two months' notice. And in certain circumstances it can close an account immediately or with less notice. More specifically they say:

We can end this agreement (or account, benefit or benefits package or service) without telling you in advance if we reasonably think that.....

- *you are or may be behaving improperly. This includes being abusive or threatening to our staff or including abusive or threatening messages in payment instructions;*

When a bank closes an account for such reasons, I would expect it to send detailed information about the alleged behaviour and its internal policy on such matters to this service. Lloyds say it can't provide CCTV, which I note Mr K says would show he was being intimidated, due to the length of time that has passed and it not being a police investigation.

I'm not sure whether CCTV footage, which would likely be inaudible, would show that Mr K

hasn't done anything wrong and/or that the manager was at fault here. That's because I would need to be able to hear what is being said, and secondly, if the manager is following Mr K around the branch that could equally be explained as their attempt to escort him out of the branch.

However, Lloyds has provided me its branch notes. In summary, they say:

- A warning letter was sent to Mr K on 3 December 2020 regarding his behaviour in branch. That's because Mr K began shouting at the cashier in relation to paying a bill. He was given the opportunity to speak to a manager but declined. The cashier was being helpful by going out of their way to help Mr K
- On 25 May 2021, Mr K was demanding the cashier call his credit card company to put a trace on a payment when they had no authority to speak on his behalf. Mr K wanted to make a complaint which was upheld, but no branch error was made
- On 22 April 2022, Mr K was unhappy he was given old £20 notes when withdrawing £1,000. He was told they were still in circulation but remained unhappy. And Mr K "had been constantly rude to different members of staff"
- On 25 August 2023, Mr K had been informed by the branch manager that he will now be refused service at that branch as he intimidated a staff member and was abusive to them. As Mr K has previously had a warning letter, a closure letter will be sent to prevent any future abuse of its staff.

The branch was taking part in a national pilot meaning counter services were only available to business customers or vulnerable customers. But Mr K didn't give the staff an opportunity to explain this, and the branch manager was asked by the cashiers for support with his abusive behaviour. Mr K was rude, but later presented his card and the payment was made for him to defuse the situation. Mr K continued to be loud and abusive

- One month's notice was sent to close the account in line with Lloyds's abusive customer process

Mr K says he had done nothing wrong and the decision to close his account is borne out of the attitude and vindictive manner of the branch manager. I don't doubt what Mr K says here, but I must reach my decision on the evidence I do have available. And where evidence isn't complete or inconclusive, I can reach a finding on what I think is most likely to have happened – the balance of probabilities.

I'm presented with polarised views on what happened here that led to the closure of the account by Mr K and Lloyds. In effect, this means it's his word against the branch manager's. So I simply don't have compelling evidence to reach a finding that Mr K has been unfairly treated in the way he says he was – after all I was there to witness it.

As I said earlier, I think this matter is therefore finely balanced. Because of this, I must put some weight on what the branch notes say given they are contemporaneous – in other words they represent what the branch staff noted about what happened at that time.

As I said earlier, Lloyds has also given me its internal policy on how it deals with abusive customer issues. Having looked at that, and as Mr K had been warned in 2020, I'm persuaded on balance that Lloyds has acted fairly in closing Mr K's account.

Lloyds say its terms allow it to close an account for this reason immediately, but it chose to give Mr K 30 days' notice to make alternative arrangements. I think this was fair given the vulnerabilities and disability Mr K had made it aware of. I also note Mr K was able to transfer his account over to a new provider using the account switching service within this period causing him little inconvenience.

Mr K is unhappy he was promised a call back from a manager which never materialised. I've been provided a call from Lloyds which I've listened to, and a call-back wasn't agreed. That doesn't mean this didn't happen, but I don't have any evidence to show Lloyds didn't keep its promise. So I don't have enough information to make a finding on this point.

Mr K says this matter has caused him distress and inconvenience. I do appreciate it would've caused him some difficulty. But having looked at what's happened in this particular case, I can see no basis on which I might make an award against Lloyds given I don't think, on balance, that it's done anything wrong.

So I'm not going to ask Lloyds to compensate Mr K for any distress or inconvenience this may have caused.

My final decision

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 2 August 2024.

Ketan Nagla

Ombudsman