

The complaint

Mr and Mrs W complain Lloyds Bank PLC:

- Sent a dormancy letter which if it hadn't been responded to would have led to their funds being transferred to charity
- Closed down their account after raising a complaint
- Didn't offer Mr W a seat in branch when he went in to complain

As Mr W has been the main person raising concerns, I've primarily referred to him in this decision.

What happened

Lloyds' notes say Mr and Mrs W were contacted in August 2021 regarding their account not having had any activity for the last three years. On 7 September 2021 Mr W raised his unhappiness about the account being registered as dormant. Mr W said interest being added is a transaction – so the account shouldn't be dormant. Lloyds' notes say they offered to raise a complaint for Mr W, but he became abusive and started insulting staff. It seems at this point the complaint wasn't raised.

On 9 December 2021 Mr W went into branch to discuss the dormancy letter. Once again, Lloyds' notes talk about Mr W being aggressive and abusive. Lloyds notes suggest Mr W was told on 13 December 2021 they'd be closing his and Mrs W's accounts and gave 30 days' notice of this.

On 13 January 2022 Lloyds wrote to Mr W and said they don't tolerate abusive, threatening or intimidating behaviour – so they were closing Mr and Mrs W's accounts down. They said unacceptable behaviour was displayed in branch on 9 December 2021. They said they'd found no evidence branch staff didn't act fairly but had received evidence from staff which was corroborated by other staff members which disputes his version of events. Lloyds added when they tried to call to discuss this, Mr W became aggressive and intimidating – which further corroborates the version of events from the branch. They added they'd given 30 days' notice, and as this had now passed, they'd be closing down the accounts and sending the balances by cheque. The account was then closed the same day.

Unhappy with Lloyds' actions, Mr W asked us to look into things – adding he has mobility issues and wasn't offered a seat when he was in branch, despite it being obvious he should have been.

To be clear, this decision is published on our website, so I've talked in vague terms about Mr W's circumstances to prevent any prospect of him being identified.

On 27 September 2022 Lloyds subsequently issued a response to Mr and Mrs W's concerns about the dormancy letter. They said the letter sent to Mr and Mrs W doesn't automatically say the funds will be transferred to charity if they don't get in touch. Lloyds explained what they'd actually do is mark the account as dormant in line with the Dormant Bank and Building Societies Act 2008. The letter Lloyds say Mr and Mrs W were sent says the funds

would remain in the account, until identification had been provided – upon which the account would be reactivated. Lloyds went on to say the letter says if Mr and Mrs W wanted to donate their funds to charity then they could do so, but this would need to be confirmed with them first.

Lloyds also added some information about Mr W's visit on 9 December 2021 – saying the complaint about the dormancy letter couldn't be registered, because of Mr W's behaviour. Our Investigator considered things and issued his first outcome saying he didn't think Lloyds had done anything wrong.

Mr W didn't agree and asked for copies of all the documents we'd relied on – which were provided to him. In response, Mr W then raised further points. I've summarised the ones I consider most relevant:

- Mr W says he can express himself without resorting to 'abuse'
- What evidence do Lloyds have that he abused their staff – and questions why we've not got the names and addresses of the staff members, and reminded them of the penalties for perjury
- You'd expect Lloyds' members of staff to stick together, and this is just a false accusation
- They also tried to suppress complaints
- On the other hand, he has mobility issues, and being told to 'go and stand in that corner over there' and not being offered a chair is abuse
- Overall – Mr W felt Lloyds hadn't treated him fairly and in line with the regulator the Financial Conduct Authority's (FCA) rules to do so

Mr W also asked for a copy of the dormancy letter sent to him. Our Investigator shared what Lloyds had provided, and Mr W said that wasn't the letter he'd received. He told us he didn't have the letter anymore, as he'd sent it in when he complained. So, we contacted Lloyds who explained they don't have the original letter, only a sample, because this was done as a bulk mailing. The sample they provided said virtually nothing had changed from other iterations of the letter. This was provided to Mr W for his comments, and he said the letter again wasn't the right one.

Our Investigator reconsidered matters, but still didn't think this changed things. Mr W still didn't agree, so the complaint's been passed to me to decide. Mr W asked for an extension as he had further points he wanted to make. An extension was granted until 4 March 2024. As we've not heard from him, I'm satisfied it's appropriate to go ahead and consider this complaint.

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 and Mrs W's complaint in less detail than they have. 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.

So, I've gone ahead and considered things using my fair and reasonable remit. I'm required to take into account the law, rules and regulations, codes of practice – but ultimately I decide matters based on what I think is fair and reasonable.

There are three key issues to address in this complaint, which I've outlined below.

Did Lloyds act fairly regarding the dormancy

Mr W doesn't think his account should have been marked as a dormant account as a starting point – because the account continued to earn interest.

Generally though, only transactions made by an individual would reset the clock on the dormancy account process. And, I've seen nothing to suggest there were any transactions on the account by Mr W, which means the dormancy process wasn't initiated incorrectly or unfairly.

Mr W has also raised concerns that the letter basically said the balance of the savings account would be donated to charity if there was no contact within one month.

Lloyds aren't able to send us the specific letter they sent Mr and Mrs W. They've told us it was part of a bulk mailing, and individual copies of letters aren't kept in those circumstances. This is quite common, so I draw no adverse inferences from it.

Mr W also can't provide a copy of the letter – as he says he sent it in when he made his complaint.

Although Lloyds can't provide the actual letter, they have provided a sample letter of what they say would have been received. These have been shared with Mr W, and he disagrees that's what he received.

The challenge I have at this point as I don't have the original to compare it with, so I need to use all the evidence I do have, to reach a fair and reasonable position.

Looking at the samples I've been given, these are dated from 2021 (around the time of the events) and 2023. Neither of these letters say they'd donate the money to charity if there is no response from the account holder.

That's not to say Mr W didn't receive a letter which talked about his funds potentially being donated to charity – I think it's more likely than not he did. But I think it's more likely than not that's not *all* the letter said – and it probably did explain how Mr W could prevent that from happening.

I say that because Mr W did get in touch with Lloyds and has prevented the account from being marked as dormant. Although I understand his concerns he could have lost the money in the account – and a very large sum as well – he didn't lose the money.

I'm aware Mr W has a view of Lloyds and has serious concerns over the way their processes work and whether their staff are honest. None of these points are anything I think I need to consider in this section – because I think it's more likely than not the letter didn't only say what Mr W says it did – and in any event he's prevented the account from becoming dormant.

Have Lloyds fairly closed Mr and Mrs W's accounts

This issue is harder to consider. Mr W says he didn't resort to abuse in the branch, and it's because he's complained which is what led to Lloyds closing his accounts – so they've treated him unfairly. Lloyds say he did abuse them which is why they've closed his account down and they've pointed to the terms and conditions of the account.

If a financial institution chooses to close an account, they should do so in line with the terms and conditions of the account and their reasons should be legitimate, fair and non-discriminatory.

The terms and conditions say:

We can end this agreement (or account, benefit or benefits package of 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*

Lloyds gave Mr W 30 days' notice of closing his account, despite saying he'd been abusive. If I think Lloyds have reasonably decided Mr W was abusive, then Lloyds have acted more than fairly – as they've given him notice when they weren't required to. If I think Lloyds have unfairly decided Mr W was abusive, then Lloyds haven't acted fairly – as the terms go on to say they'll give 60 days' notice if no other reasons apply.

As Mr W says, I've no concrete evidence of what happened in the branch. I wasn't there, and no recordings have been provided. So, although I understand why Mr W wants the names of the staff members along with what specific words were abusive, I don't think it's necessary to get to this level of proof. I say that because I'm satisfied I've been provided with enough information to reach a fair outcome.

This includes notes from Lloyds which Mr W has been provided with. These say Mr W was abusive on the phone in September 2021, in the branch in December 2021, and again on the phone with the complaint handler in January 2022.

It seems very unlikely to me that three entirely independent staff members would each report Mr W had been abusive, if he hadn't acted in some way which Lloyds interpreted to be abusive. I'm not deciding directly whether Mr W was or wasn't abusive, only whether I'm satisfied Lloyds have enough evidence to fairly treat him as having acted abusively.

Given that, I think it's more likely than not Lloyds have treated Mr W fairly in closing his accounts because he became abusive – rather than because he complained – so I don't uphold this part of his complaint.

Did Lloyds treat Mr W fairly in branch

Mr W has said he thinks Lloyds' staff in the branch on 9 December 2021 abused him – because he was told to go and stand (not sit) in the corner. And he says he has obvious mobility issues.

As before, I wasn't in the branch, so I can't know for sure exactly how things happened. But I have already found Lloyds fairly thought Mr W was acting in an abusive manner. In those circumstances, I can imagine they were quite stern with him in asking him to move to a different part of the branch.

But, given all of that, although they told Mr W to go and stand in the corner, at no point have I seen him say he couldn't have found a chair to sit down if he needed to. Most bank branches have seats available for customers to sit down.

In addition, it would at times be presumptuous for branch staff to automatically assume someone might need or want a seat – and if the conversations Mr W had in branch that day were as heated as Lloyds' notes suggest, then I suspect they simply didn't give as much thought as they could have done to his needs. Given I think Lloyds have fairly decided Mr W was abusive, I don't hold Lloyds staff responsible for that.

Overall then, I won't be upholding this part of Mr W's complaint either.

My final decision

For the reasons I've set out above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W and Mr W to accept or reject my decision before 15 April 2024.

Jon Pearce
Ombudsman