

## **The complaint**

R, a limited company, complains that Lloyds Bank PLC declined its account application and wouldn't allow an appeal.

## **What happened**

R applied for a bank account in November 2023, and this was declined. R said that it was aware of adverse credit information relevant to the application and could show that this wasn't current. It wanted this to be considered.

Lloyds said it hadn't made a mistake. It stated in its final response that the application was withdrawn due to a 'credit score decline'. And that up-to-date information would need to be considered with a new application and it wouldn't consider an appeal.

Our investigator didn't recommend that the complaint be upheld. He said that we offer informal dispute resolution, and it was a commercial matter for Lloyds to decide whether to offer an account and on the process it followed. It was reasonably up to R to ensure that any information relevant to its application was correct.

R didn't agree and wanted its complaint to be reviewed. R said that it was entitled under relevant regulations to have any automated decision appealed. In any event it said it had information about what was on the credit file. R said that this needed to be viewed by an underwriter not a computer model. There would be no difference if it applied again as Lloyds suggested and it provided a copy of email declining an application.

## **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.

This service isn't the regulator, and we don't have a role in setting processes. The relevant material to R's application was adverse credit information. It doesn't seem to be in dispute that this was shown in what was reported by credit reference agencies. That was indicated by Lloyds as the reason for the account application being declined. In light of that I don't see that Lloyds acted unfairly when it said that it wouldn't take an appeal forward and review its decision.

I understand from its final response to the complaint that Lloyds may have had the impression that the material had since been corrected. And that is why it indicated R should submit a further application. From what R states it wants to explain the information on the credit file and for example that this is 'erroneous'. I'm unclear why that hasn't been corrected and I'm not persuaded on the information provided that it was unreasonable for Lloyds to rely on what is reported in considering the application.

## **My final decision**

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask R to accept or reject my decision before 22 April 2024.

Michael Crewe  
**Ombudsman**