

The complaint

Mr M complains that Lloyds Bank PLC closed his account and won't tell him why.

What happened

Mr M held a current account with Lloyds. In November 2023 it wrote to him to say that it would be closing his account after 65 days. The bank's letter explained that Mr M would need to make alternative banking arrangements outside the Lloyds group, and provided him with information about what would happen if any funds were left in the account at closure.

Mr M's account was closed on or about 16 January 2024. The balance on the account, less than £10, was sent to him by cheque.

Mr M wanted to know why his account had been closed, and submitted a data subject access request (DSAR) to try to find out. The bank did not respond to the DSAR and did not tell Mr M why it had closed his account. It said only that it had taken a commercial decision and had given 65 days' notice of closure, in line with the account terms.

Mr M referred the matter to this service. He said that he thought he had been discriminated against because of his nationality. He said too that he was involved in litigation and that the other party to that litigation had told him they had connections within Lloyds and could arrange for his account to be closed.

Our investigator considered what had been said but did not recommend that the complaint be upheld. The investigator was not persuaded there had been any discrimination; rather, the bank's decision had been a legitimate commercial one. It did not have to tell Mr M why it had closed the account.

Mr M did not accept the investigator's assessment and asked that an ombudsman review the case.

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.

It is generally for banks to decide whether to provide, or to continue to provide, account services to any particular customer. They can exercise their commercial discretion in such matters and, as long as that discretion is exercised legitimately, this service won't usually intervene. I have considered that issue here, and am satisfied that Lloyds' decision to close Mr M's account was a legitimate one. Lloyds did not have to tell Mr M exactly why it had decided to close his account. I do not believe however that its decision to do so was discriminatory or the result of external influence as Mr M has suggested.

I note what Mr M has said about the DSAR. He made it to try to find out why his account had been closed, not in order to find out what personal information the bank held about him. In

the circumstances, I don't believe it was unreasonable for Lloyds not to respond; nor do I believe Mr M has suffered any inconvenience as a result.

Banks should give reasonable notice before closing an account. What is reasonable depends on the circumstances, but we generally take the view that two months' notice is reasonable for a personal account. I believe that was the case here. The bank gave Mr M sufficient time to make alternative arrangements, and his account was fully operational throughout the notice period.

My final decision

For these reasons, my final decision is that I do not uphold Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 19 February 2025.

Mike Ingram

Ombudsman