

The complaint

Mr K complains on behalf of his limited company, which I will call L. Briefly, he says:

- Lloyds Bank Plc refused to allow him to transfer his company's Bounce Back Loan (BBL) to his personal account.
- Lloyds did not allow him to set up direct debits from his company's bank account.
- Lloyds made it difficult for him to access statements for his company's BBL, and discriminated against him during an August 2024 branch visit.

What happened

Mr K told us:

- In May 2021, he took out a Lloyds BBL for his limited company L.
- A short time later, his poor health forced him to stop working for his company.
- In October 2021 he paid his accountant to close his limited company. But his accountant said that the company could not be closed because of the outstanding BBL.
- He tried to get Lloyds to transfer the BBL from his company to his personal account. At first, Lloyds said that would not be a problem. But now the bank will not transfer the BBL to him as an individual.
- He needs to make direct debit payments from his company's Lloyds bank account, Lloyds won't let him.
- He visited a Lloyds branch to try to sort everything out, but Lloyds' staff treated him badly. They didn't help him, and they discriminated against him because of his sexuality, nationality and disability

Mr K complained to Lloyds, and then to us. One of our investigators said:

- We're not allowed to look at Mr K's company's complaint about Lloyds' failure to transfer the BBL to Mr K's personal name. That is because he waited too long before he told us about the complaint.
- We can look at Mr K's company's complaint about the direct debits, but she didn't think Lloyds had done anything wrong. The type of account L has does not allow direct debits.
- We can also look at Mr K's company's complaint about the August 2024 branch visit, but she didn't think Lloyds needed to do any more to say it was sorry.

Mr K didn't accept what our investigator said, and he asked for the complaint to be reviewed.

My provisional decision

I issued a provisional decision on this complaint, and said:

"Firstly, I need to decide how much of Mr K's company's complaint I can look at.

I know that Mr K very much wants his company's BBL to be transferred to him personally. Our investigator said we couldn't look at that. I'm sorry to further disappoint Mr K, but she is correct. I will explain why.

Why I can't look at Lloyds' refusal to transfer the BBL to Mr K's own name

We don't have the legal power to investigate all the complaints that people ask us to look at. There are rules. Those rules are set out in full in the Financial Conduct Authority's Handbook, available at <https://www.handbook.fca.org.uk/handbook/DISP/>.

One of those rules says that we can't usually look at a complaint that is sent to us more than six months after a firm has given the complainant its final response. We can still look at complaints if the bank agrees that we can, or if exceptional circumstances prevented the complainant from coming to us in time.

Lloyds has refused to allow Mr K to transfer his company's BBL from his company to himself. Mr K told us that he complained about that on 25 August 2023. Lloyds told us that it sent its final response to Mr K on 26 September 2023. Mr K didn't tell us about his company's complaint about Lloyds' failure to transfer the BBL until 18 November 2024 – much more than six months after 26 September 2023. That means Mr K told us about the complaint too late.

Lloyds hasn't agreed to let us look at the late complaint. That means I am only allowed to look at it if exceptional circumstances prevented Mr K from telling us about the complaint earlier.

I've looked very carefully at everything Mr K has told us. I can see that he's been through an extremely difficult time, and I thank him for his openness with us. It looks as though this complaint might not have been a priority for Mr K during later 2023 and early 2024, because he was dealing with the possibility of losing his home. That is quite understandable. But Mr K was able to contact other organisations in the six months from 26 September 2023, and so I don't think anything prevented him from complaining to us. That means I'm not allowed to investigate Mr K's company's complaint about not being able to transfer the BBL to Mr K's personal name. That also means I can't look at whether Lloyds discriminated against Mr K when it refused to transfer the BBL.

I want to stress that this is a complaint I cannot look at, rather than one I have chosen not to look at. I know that Mr K's circumstances are very challenging, but I cannot set aside or ignore our rules.

Closing Mr K's company

I can't help Mr K to close his company. That isn't something the Financial Ombudsman Service can do. But I can make some comments that might be helpful to him.

- As Mr K knows, the BBL was taken out by his limited company, L. That means L is required to repay the bank.
- Mr K himself, as an individual, is *not* required to repay the BBL. Mr K told us that it is a struggle to afford the BBL payments. But he doesn't need to pay the BBL; the BBL is owed by his limited company, not by him personally.
- I understand L is no longer trading, and doesn't have any money. It seems that the only reason L can afford the BBL is because Mr K is transferring his own money to L. But he doesn't have to do that.
- If L stops paying for the BBL, then the bank will take enforcement action. It will write to L to ask for the money, and L still doesn't pay then the bank will "default" the BBL. That will mean the bank asks L to pay the entire loan back at once, and L's credit file will be affected. But Mr K as an individual won't have to pay anything, and the default won't be recorded on Mr K's own credit file.
- Business Debtline is a charity which offers free help to people whose limited companies can't afford to pay their debts. It publishes a fact sheet on dealing with limited company's debts, and on closing (or "winding up") companies. That is available at <https://businessdebtline.org/fact-sheet-library/limited-companies-ew/>. Business Debtline's advisers help people over the phone and through webchat. Their contact details are at <https://businessdebtline.org/>.

Direct debits

Mr K's company's bank account with Lloyds doesn't allow direct debit payments.

That is because the account is a "loan servicing account". It was set up to allow payments to be made to the BBL. It is not supposed to be used for any other reason.

I know that Mr K would like to be able to make direct debit payments through L's Lloyds account, but that isn't possible. I don't think Lloyds has to give his company another type of account, and I don't think the bank has done anything wrong.

The August 2024 branch visit

As I've said above, I can't look at a complaint that Lloyds discriminated when it refused to allow the BBL to be transferred to Mr K's personal name. But I can look at what he told us about his August 2024 branch visit.

Mr K has complained that Lloyds has failed to make reasonable adjustments for them. In other words, has failed their duty to make reasonable adjustments under the Equality Act 2010. I've taken the Equality Act 2010 into account when deciding this complaint – given that it's relevant law – but I've ultimately decided this complaint based on what's fair and reasonable. If Mr K wants a decision that Lloyds has breached the Equality Act 2010, then he'd need to go to Court.

Lloyds says it is sorry for the way Mr K was made to feel, and that it was not the bank's intention to cause him any unnecessary upset or inconvenience. It paid him £50 to say sorry. It also said that its branch staff have very limited access to

Business Banking systems, and are unlikely to be able to help Mr K with his company account in future.

I have listened to the recording Mr K sent of his branch visit. That recording is just over two minutes long, but I understand the visit lasted for around 20 minutes.

The visit was clearly very difficult for Mr K, and he has described it as traumatic. He told us that the branch manager didn't come to see him despite his many requests, and that he ended up experiencing a severe mental health breakdown. He explained that he thinks he is being discriminated against as a disabled individual, compounded by institutional racism.

Mr K says he feels Lloyds has discriminated against him given the problems he's experienced. I can understand why Mr K feels this way but having looked at all the evidence I don't think Lloyds has done so. Nor do I think Lloyds has acted unfairly or unreasonably. I don't think Lloyds' branch staff (including the manager) would have been able to help any business customer, regardless of that customer's personal characteristics.

I think Lloyds could have provided Mr K with better customer service during the branch visit, but I don't think it treated him unfairly. The bank has already apologised and paid £50, and I think that is enough. I won't order the bank to pay more compensation, nor will I order the bank to tell Mr K the names of the people he spoke to in the branch.

I hope that it helps Mr K to know that someone impartial and independent has looked into his concerns."

Mr K did not accept my provisional decision. He said he thought it was flawed, and reflected elements of institutional bias. He also said he was concerned that key aspects of his complaint, particularly relating to disability discrimination and institutional racism, have not been handled with the seriousness they deserve. He therefore asked me to reconsider the matter in full, taking into account all previously submitted evidence as well as his wider circumstances.

Mr K also asked me to fully consider:

- His inability to close the commercial loan servicing account, which he says is a necessary step in order to strike off his limited company.
- Lloyds' failure to provide him with information, and in particular its failure to tell him that he could suspend payments during periods of severe financial hardship and ill health.
- Repeated failures to address the BBL account statements issue.

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 am sorry to further disappoint Mr K, but after carefully reviewing everything both parties have said I have come to the same conclusions as I did in my provisional decision, for the same reasons. I therefore confirm those provisional conclusions as final.

I cannot look at Mr K's complaint about Lloyds' refusal to transfer the BBL to Mr K's own name. I know Mr K is very unhappy about that, but that aspect of his complaint was referred to us too late. I am not satisfied that the delay was caused by exceptional circumstances, and that means I cannot investigate the issue. In particular, I do not have the legal power to investigate why Lloyds refused to transfer the BBL, and I don't have the legal power to investigate any allegations of discrimination in respect of the bank's refusal to carry out the transfer.

I cannot see that Mr K has previously complained to Lloyds about his inability to close the commercial loan servicing account, and so that is not something I can consider here. I cannot consider complaints against banks unless the bank has had the opportunity to look at the complaint first. However, I can say that the loan servicing account is connected to the BBL – and the loan servicing account will not be closed until the BBL is closed. For the reasons I've given above, I can't look at Mr K's complaint about Lloyds' refusal to transfer the BBL to his own name.

I can look at the complaint that Lloyds will not allow Mr K to set up direct debits from L's bank account, but I still don't think Lloyds has done anything wrong. The type of account that L has does not allow direct debits, and I don't think the bank has any obligation to give L a different type of account.

I can see that Lloyds has provided some support to Mr K. Lloyds pointed him to various charities that might be able to help him, such as Business Debtline and the Citizens Advice Bureau. It also said he could contact its own Business Banking Financial Assistance team if he was experiencing financial difficulties. I acknowledge that Lloyds' support was not in the form that Mr K wanted, but I still think that Lloyds' behaviour was appropriate.

I can also look at Mr K's complaint about his August 2024 bank visit, which I understand he made in part because he wanted access to information about L's account. I am sorry to hear that Mr K doesn't think I've taken his concerns about disability discrimination and institutional racism seriously, but I would like to assure him that I have taken into account everything that he has said about the visit. I've also listened to the telephone recording that he provided to us. However, I cannot make a finding about whether Lloyds has breached the Equality Act 2010 – only a court can do that. My role is to decide this complaint based on what I consider to be fair and reasonable in the circumstances.

As I said in my provisional decision, I understand that Mr K feels that Lloyds has discriminated against him, but I haven't seen evidence that persuades me the bank has done so. Lloyds has told us that its branch staff are trained to support its personal customers, but not its business customers. I am satisfied that the reason the branch staff could not help him, with the bank statements or with anything else, was because they do not deal with business accounts. I don't think they discriminated based on Mr K's nationality, disability, or anything else about Mr K as an individual.

As Lloyds accepts, its customer service could have been better. I think Lloyds' staff could potentially have done more to explain to Mr K why they could not help him. But the bank has already paid him £50 to apologise, and I don't think it needs to do anything more.

My final decision

As I've said, I cannot consider the complaint that Lloyds will not allow L's BBL to be transferred to Mr K.

My final decision in respect of the other issues – the direct debits, the statements and the August 2024 branch visit – is that I do not uphold L's complaint about Lloyds Bank Plc.

Under the rules of the Financial Ombudsman Service, I'm required to ask L to accept or reject my decision before 10 September 2025.

Laura Colman
Ombudsman