

## **The complaint**

Mr T complains Lloyds Bank PLC unfairly closed his accounts. He also complains he was given insufficient notice for the closure.

## **What happened**

Mr T lives abroad. He has said he received a letter from Lloyds in January 2025 which gave him notice that it would be exiting its banking relationship with him. However, the letter was dated 24 October 2024 and, as 65 days' notice had been given, the accounts Mr T held with Lloyds had already closed. Shortly after, he received two cheques for the balances of his closed accounts with Lloyds – for around £205 in total.

Mr T had complained to another bank around the same time as the letter from Lloyds was dated and suspected this had something to do with the closure of his Lloyds accounts. He complained to Lloyds, pointing out that, as he'd only received the closure letter after the notice period had ended, he hadn't been given sufficient notice of Lloyds' intention to close the accounts. He asked for his accounts to be reopened.

Lloyds responded to Mr T's complaint, but didn't think it had done anything wrong. It said it couldn't take responsibility for the delivery of correspondence once it had been issued. It said any delays would be a matter to be raised with the postal delivery service. Lloyds said its terms and conditions had allowed it to take the decision it had. It added that Lloyds Banking Group would no longer be able to offer Mr T banking facilities, now or in the future.

Mr T wasn't satisfied with Lloyds' response, believing it to have not acted in line with the relevant regulations. He brought his complaint to our service. He said the two cheques he'd received couldn't be cashed in his non-UK account and that Lloyds had made a number of errors. He pointed out that Lloyds' notice to close letter had implied it would only be closing one account, but he had held three. He said as the letter was received after the accounts had been closed, this effectively meant no notice period had been given. He noted a stamp on the envelope which appeared to show the letter was sent much later than it was dated. Further, he hadn't been given a reason for the closure and, as the balance had been sent in the form of cheques, he didn't consider Lloyds to have returned his money to him. He added he could have given Lloyds the details of his non-UK account, had it asked.

Our Investigator looked into things but didn't uphold Mr T's complaint. In his view, he said Lloyds' terms allowed it to have closed Mr T's accounts. He was satisfied that Lloyds had sent the notice of closure letter to the right place, giving an appropriate amount of notice, and didn't think it would be fair to hold Lloyds responsible for a delay in the post. The Investigator didn't share Mr T's concerns that Lloyds had posted the letter later than it should have. He found that the envelope's stamp appeared to be from the overseas postal service and so he wasn't persuaded this pointed to a delay on Lloyds' part. The Investigator was satisfied with Lloyds' efforts to send Mr T's funds back to him, but noted Lloyds had since offered to make a transfer to an account held in Mr T's name.

Whilst Mr T didn't accept the outcome, he liaised with the Investigator for the purpose of facilitating Lloyds' transfer – which it later confirmed it made. Mr T raised several points in

response to the Investigator's view. He didn't think enough notice had been given, as he hadn't received the closure letter until after the accounts had closed. He felt Lloyds had withheld information from the Investigator around the date the closure letter had been sent, and he queried why Lloyds hadn't used a service which tracked its letter.

Mr T didn't accept that the complaint he had previously made to another bank hadn't caused his Lloyds accounts to close. He felt Lloyds' position of never allowing Mr T to open an account with it in future was excessive, and he felt Lloyds had failed in its duty to ensure the letter it sent had been delivered.

The Investigator noted Mr T's points, but didn't think they made a difference to the outcome he'd arrived at. He said Lloyds had commercial freedom to decide who it wanted to provide services to and he wasn't able to affect that.

As no agreement could be reached, the case was 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, while I appreciate this won't be the answer Mr T wanted, I won't be upholding this complaint. I'll explain why below.

I would first like to mention that my role here is to think about the individual circumstances of this complaint and decide whether Lloyds did something wrong which caused Mr T to lose out. If I think it did, I can then consider what – if anything – Lloyds should do to set matters right. In reaching my conclusions, I've taken an independent view of the circumstances, and have considered all relevant rules and regulation, as well as what I believe to be good industry practice. But I have ultimately decided this case on what I believe to be fair in all the circumstances of this complaint. And while I can understand why Mr T believes Lloyds should have done more for him, I can't fairly say it got things wrong.

Broadly speaking, financial businesses can decide to no longer offer customers banking facilities, but they must do so fairly, with sufficient closure notice for the circumstances, and in line with their terms and conditions. This includes any commercial decision a business takes to not offer services in future. Here, Lloyds' terms allow for it to have withdrawn its banking services for the reasons it did, and I'm satisfied it acted fairly in that regard. I can see appropriate notice was given, though I realise Mr T disagrees, and I am pleased to see it took measures to ensure the remaining funds could be sent to an account in Mr T's name.

I've thought about Mr T's concerns relating to the reasons for the closure. Financial businesses sometimes send this service confidential information, and ask us not to share it. Our rules allow us to receive evidence in confidence and we may treat evidence from financial businesses as confidential for a number of reasons – for example, if it contains information about other customers, security information or commercially sensitive information. It's then for me to decide whether it's fair to rely on evidence that only one party has seen. It's not a one-sided rule; either party to a complaint can submit evidence in confidence if they wish to, and we'll then decide if it's fair to rely on it. Here, the information is sensitive and, on balance, I don't believe it should be disclosed. But it's also clearly material to the issue of whether Lloyds has treated Mr T fairly. So, I'm persuaded I should take it into account when deciding the outcome of the complaint.

The evidence relates to the reason Lloyds closed Mr T's accounts. Lloyds' explanation in this regard is fair, and in line with what I would say is reasonable. For the reasons given above, I

won't be relaying the reason to Mr T, but I hope he is satisfied that someone independent and impartial has reviewed the information, and can assure him Lloyds' decision to close his accounts doesn't relate to his concerns about a previous complaint, or any otherwise unfair reason.

Turning to the notice given, I appreciate Mr T's concerns here, and empathise with his position, but I'm in agreement with the Investigator that Lloyds isn't responsible for any failures of a postal system. I'm satisfied the letter was more likely than not – which is the test I must apply – sent to the correct address at the correct time. I see no reason for Lloyds to have printed a letter, but to have not sent it as part of its general process. Further I am in agreement with the Investigator that the postal mark is indicative of handling by an overseas postal service, and not evidence of a delay on Lloyds' part.

Firms aren't required to check that letters are delivered, or to send closure notifications in multiple formats. But even if Lloyds got something wrong here, Mr T's statements show very little activity across his accounts over several years, and a low total combined balance. Given Lloyds has worked with Mr T and our Investigator to transfer the outstanding funds to him, I'm not persuaded Mr T has been caused any significant detriment by not receiving a notice of closure letter sooner, and I'm satisfied the letter itself makes it clear Lloyds has chosen to exit its relationship with Mr T, despite referring to a singular account, rather than plural.

Overall, while I recognise things haven't gone smoothly for Mr T, I haven't been persuaded that this is as a result of something Lloyds got wrong. As a result, I won't be asking Lloyds to do anything else in relation to the matters covered in this decision.

### **My final decision**

My final decision is I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 5 January 2026.

James Akehurst  
**Ombudsman**