

The complaint

Mr L complains that Lloyds Bank PLC declined his application to upgrade his account.

What happened

The details of this complaint are well-known to both parties, so I won't repeat them again here. The facts aren't in dispute, so I'll focus on giving my reasons for my decision.

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'd like to start by clarifying that this service is unable to make findings on whether something constitutes a breach under The Equality Act 2010. This is because this service is an informal alternative to the courts, and only a court of law can make a legal finding based on the definitions set out within the act. However, I can consider whether Lloyds has acted in a fair and reasonable manner, and to do that I will take several things, including The Equality Act 2010, into consideration.

I know Mr L will be disappointed to hear that I'm not upholding his complaint, so I'll explain why:

- Lloyds has its own criteria when it comes to deciding whether to provide certain banking services to a consumer. This criteria is determined by Lloyds, which the bank is entitled to do as part of its commercial practices. It isn't within the remit of this service to direct Lloyds to accept or reject an application.
- Lloyds says it carried out credit and fraud checks. I can also see a manual review of Mr L's application was completed during a telephone call in May 2024 – during which Lloyds conducted an income and expenditure assessment before concluding Mr L was ineligible for the account upgrade. I note the call handler escalated the review to the relevant team before communicating the bank's decision. I think Lloyds acted reasonably by doing so.
- Mr L says Lloyds failed to explain why it declined his application. Although Lloyds doesn't have an obligation to provide reasons, I can see Mr L was advised by the bank that its decision was due to adverse information held on his credit file. It's my understanding that Mr L sought to access an overdraft facility as part of upgrading his account. So I can understand why Lloyds declined the application, given the adverse credit file information. So I think it was fair of the bank to base its decision on this information.
- I appreciate Mr L is concerned about the questions he was asked about his income and expenditure. Having reviewed what was asked of him, I'm satisfied the questions were appropriate and not unusual in the circumstances. So I don't find that Lloyds acted unfairly.

- Mr L is unhappy Lloyds didn't agree to a face-to-face appointment to follow up on its decision to decline his upgrade application. I appreciate Mr L feels strongly that this would have been useful for him. But Lloyds had already explained its decision and a further appointment wouldn't have changed the bank's position. So I'm satisfied the bank didn't do anything wrong by refusing to schedule an in-person appointment.
- Mr L feels Lloyds acted unreasonably but failing to take into account a notice of correction on his credit report. I haven't seen a copy of this. Nevertheless, it seems to me that the adverse information that Lloyds points to existed on Mr L's credit report at the time of his applications. And the bank isn't obliged to give weight to the notice of correction. So I think it's fair the bank relied on the adverse information when making its decision.

So I won't be asking Lloyds to do anything further in relation to this complaint.

My final decision

For the reasons explained, I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 9 March 2026.

Abdul Ali
Ombudsman