

The complaint

Mr B has complained Lloyds Bank PLC closed his accounts, and although they provided two months' notice, he was unable to use his account immediately. This means he's been unable to get the return on investments he's made as these payments must go to the account the original investments came from.

What happened

Mr B held savings and current accounts with Lloyds. On 8 April 2025 Lloyds told Mr B they would be closing his accounts in two months' time, but his account use would be blocked with immediate effect.

Mr B had lately made a large investment payment to a regulated broker. He was concerned this account closure would impact his ability to get this money back. He asked Lloyds to dispute this transaction on his behalf. Lloyds confirmed they weren't able to dispute this payment under the chargeback rules as it was for investment purposes.

Unhappy with this Mr B brought his complaint to the ombudsman service. He was unhappy at the length of period it took Lloyds to respond to his concerns.

Our investigator felt that Lloyds hadn't done anything wrong. She was aware of Mr B's stay overseas and appreciated how this limited his ability to sort out his financial affairs. However, she could see he held at least one other UK-based account, so felt Mr B had other options.

Still concerned at what had happened, Mr B has asked an ombudsman to consider his dispute.

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, I've reached the same outcome as our investigator. I'll explain why.

Firstly, I've reviewed the terms and conditions Lloyds provided for Mr B's accounts. This enables them to provide two months' notice to close his accounts without providing further reasons to Mr B.

I've reviewed what Lloyds has told us. It's clear that they undertook a review and risk assessment of Mr B's accounts and then decided to send him a notice that they'd be closing his accounts. Mr B will be aware that within the previous year he'd submitted a number of disputes and fraud claims. Taking that into account, it's not at all surprising that they decided to close his accounts.

I can see Lloyds met the requirements of their terms and conditions.

I appreciate Mr B feels cheated that he didn't really get two months' notice as his account use was blocked. I think – based on what I know of Mr B's account use – that Lloyds may

have felt that the block they placed on his account was a sensible precaution. The two months' notice is to enable Mr B to set up alternative banking arrangements and to manage his direct debits and regular payments.

Mr B accepts that our service is aware he holds another account, so he wasn't left high and dry by this closure.

So, I can't ask Lloyds to do anything further in relation to the account closure.

I appreciate that Mr B was concerned that an investment he made in January 2025 for £4,102.06 would be stuck as his brokers would only make any payments back to the original sending account. As our investigator has pointed out, Mr B's broker allows for individuals to change or close accounts so revised repayment arrangements can be made. Whilst that will involve Mr B going through a few hoops to sort things, it won't be that difficult so I don't agree with him that he is without these funds. He's separately confirmed that that investment remains with his broker.

Mr B raised a dispute with Lloyds. However, Lloyds had no leeway here. The chargeback rules don't allow disputes to be raised for investment payments so there would have been no point in Lloyds pretending otherwise.

I know Mr B is concerned that he's been turned down for further accounts and wonders whether action by Lloyds has caused this. He hasn't raised this as a complaint point with Lloyds and knows that he'll need to do so before our service can consider this.

I have considered Mr B's personal situation, both his health and being overseas which exacerbated the difficulties he's had in sorting this. However, I don't believe this had really anything to do with the decisions Lloyds has made. I won't be asking Lloyds to do anything further.

My final decision

For the reasons given, my final decision is not to uphold Mr B's complaint against Lloyds Bank PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 5 March 2026.

Sandra Quinn
Ombudsman