

## **complaint**

Mrs P has complained that Lloyds Bank PLC is unreasonably refusing her access to money in her account.

Lloyds has asked Mrs P to provide certain information, but Mrs P thinks Lloyds' request is unreasonable.

## **background**

A large sum of money was paid into Mrs P's account. Lloyds told Mrs P it wanted to confirm her entitlement to the money. Mrs P said the money came from the sale of her car. She produced a handwritten receipt giving details of the transaction. Lloyds said this wasn't enough. It asked Mrs P to give the bank the car registration number. Mrs P hasn't done so. She says the bank is asking unreasonable questions.

The bank has closed Mrs P's account and at present retains the money. It paid her £50 for failing to inform Mrs P of the closure by letter.

Our investigator didn't uphold the complaint. She concluded the bank wasn't acting unreasonably and could legitimately ask the questions it was asking.

Mrs P didn't accept the investigator's conclusions. She sent in a copy of a letter referring to a loan the buyer of the car took out shortly before his purchase. She said this proved the source of the money.

The investigator asked the bank if this was enough for its purposes. The bank said no, the central question was Mrs P's entitlement to the funds. The car was the main issue and the matter couldn't proceed any further until the bank understood the transaction fully. The bank repeated its request for the car registration number, which would permit the bank to establish Mrs P's prior ownership of the car and the buyer's new ownership.

The investigator told Mrs P she continued to think the bank was acting reasonably. Mrs P disagreed and asked for an ombudsman to review her complaint. She said she'd provided more than enough information to show where the money had come from. She said she didn't have the car registration now; it was an EU car which was going to be taken abroad anyway. This was just a con by the bank to keep hold of people's money.

## **my findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I'm sorry to disappoint Mrs P but I too haven't upheld her complaint.

Banks including Lloyds have a regulatory responsibility, where circumstances require it, to check on their customers' entitlement to money in their accounts. Precisely how they do this in a particular case will depend on the circumstances, but the ombudsman service won't normally interfere in the process unless the bank appears to be acting unreasonably.

I don't think the bank has acted unreasonably in this case. Mrs P says the bank wants to ask 100 questions. But the bank is presently only asking for the answer to one question – the car

registration number – which is a question Mrs P should be able to answer with ease and without any fear that the answer could cause her difficulties.

It is of course Mrs P's choice as to whether she provides the information the bank reasonably requires. But I think Lloyds is acting within its rights not to release the funds to Mrs P until it has reasonably satisfied itself of her entitlement to them.

**my final decision**

I don't uphold Mrs P's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 21 December 2019.

Roger Yeomans  
**ombudsman**