

complaint

Mr D complains that Lloyds Bank plc has closed his bank account and has recorded information about fraud on the account with Cifas. He is being helped with his complaint by his parents.

background

Mr D says that he opened an account with Lloyds in early 2016. Lloyds was concerned about activity on the account so his account facilities were withdrawn in July 2016 and he was given notice that his account would be closed. Lloyds also provided information to Cifas. Mr D complained to Lloyds. It asked Cifas to remove the information about Mr D's account – and it paid him £200 compensation for the distress and inconvenience that he'd been caused. Mr D wasn't satisfied with Lloyds' response because he says that the information remains on his Cifas report - so he complained to this service.

The investigator didn't recommend that this complaint should be upheld. He said that it wasn't unreasonable for a bank to close an individual's account where fraud had been reported. So he said that he couldn't challenge Lloyds' decision to withdraw Mr D's banking facilities. And he asked Mr D to provide the information that was showing on his Cifas report – but he didn't do so.

Mr D has asked for his complaint to be considered by an ombudsman. He has provided photos of his Cifas report. But the investigator was unable to read them so has asked Mr D to send photocopies of it or to submit it in a different way. But he hasn't done so.

my findings

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 agree with the investigator – and for the same reasons.

A bank can withdraw a customer's banking facilities and close his account – and it doesn't have to give a reason. So I find that Lloyds was entitled to withdraw Mr D's banking facilities and to close his account. And I consider that it has complied with the account terms and conditions.

Lloyds did submit information about the account to Cifas – but it has asked Cifas to remove that information. Mr D says that the information hasn't been removed so the investigator asked Mr D to provide a copy of his report. Mr D has provided photos of his report – but they aren't legible. The investigator has asked Mr D to provide the information in another way – but he hasn't done so. So I'm unable to review that report.

I'm not persuaded that there's enough evidence to show that Lloyds has acted incorrectly in its dealings with Mr D. It has asked Cifas to remove the information that it provided about fraud on Mr D's account – and it has paid him £200 compensation for the distress and inconvenience that he was caused. I consider and to be fair and reasonable in the circumstances. And I find that it wouldn't be fair or reasonable for me to require it to take any other action in response to Mr D's complaint.

my final decision

For these reasons, my decision is that I don't uphold Mr D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 13 March 2017.

Jarrold Hastings
ombudsman