

## **The complaint**

Mr G complains that Lloyds Bank PLC unfairly closed his account after a chargeback was incorrectly raised against him.

## **What happened**

Mr G says he sold a laptop in April 2023, and the item was collected from him, but the buyer then raised a chargeback on the purchase and Mr G's account was frozen. Mr G received messages from the buyer saying the chargeback had been raised in error and he says these were sent to Lloyds, but they weren't looked at and his account was closed. Mr G says he hasn't been able to open another bank account.

Lloyds issued a final response letter dated 31 August 2023. It said that the terms and conditions of Mr G's account allowed it to close the account without a need for an explanation.

Mr G wasn't satisfied with Lloyds' response. He wants the marker removed from his credit file and for Lloyds to accept the goods were received and the chargeback raised in error and the cost of the laptop to be refunded to him.

Our investigator didn't uphold Mr G's complaint. He thought that Lloyds reasons for blocking Mr G's account were reasonable. He said that while Mr G had said he sent Lloyds evidence of the item being collected and conversations with the buyer, Lloyds said it didn't receive this information. He noted that Lloyds account terms and conditions allowed for the account closure.

Mr G didn't agree with our investigator's view. He wanted his account reopened and said that Lloyds actions left him without a bank account even though he hadn't done anything wrong. He said that he had provided evidence of text messages from the buyer stating they had raised the chargeback incorrectly but this hadn't been considered. He asked for confirmation that the copies of the images and text messages he sent had been received.

Our investigator said that the only proof he had received was the images, but he thought these inconclusive. As a resolution hasn't been agreed, this complaint has been passed to me, an ombudsman, to issue a 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 can understand why Mr G is upset that his account was blocked and then closed but for me to uphold this complaint I would need to be satisfied that Lloyds had done something wrong or treated Mr G unfairly.

A block was put on Mr G's account in April 2023. I can see from the information provided that a dispute was raised with Lloyds about a payment being made to Mr G for a laptop.

Given the issue that was raised, I do not find I can say that Lloyds did anything wrong by applying the block to Mr G's account.

Mr G contacted Lloyds and said that he had evidence of the laptop being collected from his address and a text message chain showing the transaction was genuine. I have looked at this, but I cannot say that the images provided are conclusive and, while I note the text message exchange, as Lloyds has said it didn't receive this evidence at the time, I cannot say it was wrong to block the account while this issue was outstanding.

A review was then undertaken by Lloyds and following this it made a commercial decision to end its relationship with Mr G. Lloyds is entitled to decide who it provides services to, and it isn't my role to comment on its commercial decisions. The account terms and conditions allow for accounts to be closed subject to two months' notice being provided. In this case, Mr G was provided with a closure notice dated 26 April 2023 saying that his account would be closed in 65 calendar days. His account was closed on 4 July 2023. As he was given the required notice, I do not find in this case I can say that Lloyds did anything wrong in the process of closing the account and I do not have evidence that it has treated Mr G unfairly.

I appreciate that Mr G is upset that his account was closed but as I do not find I can say Lloyds did anything wrong by closing the account, I do not require Lloyds to take any further action regarding this. Mr G said that he wanted the £40 paid for the laptop returned to his account but based on the information provided by Lloyds I cannot see that this amount was debited from his account. I note Mr G's comment that he hasn't been able to open an account with another bank and as our investigator has explained Mr G can contact CIFAS to understand any information that has been recorded and when. But based on what I have seen, I do not find that I can say that Lloyds did anything wrong. Therefore I am not upholding this complaint.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 5 February 2024.

Jane Archer  
**Ombudsman**