

## **The complaint**

Mr L complains Lloyds Bank PLC closed his credit card without warning.

## **What happened**

Mr L checked his account online and saw his credit card had been removed. Mr L checked his credit file and saw the credit card had been closed a few months prior.

Mr L complained to Lloyds as he didn't receive any notice of the closure and it had affected his credit score. Lloyds responded to say it wouldn't be reopening Mr L's credit card as it had sent a letter to advise Mr L of the closure. Lloyds said Mr L hadn't used the card since 2020.

Mr L brought his complaint to this service and an investigator looked into things. The investigator didn't think Mr L's complaint should be upheld. The investigator was persuaded Lloyds had sent a letter notifying Mr L he needed to use the card or it would be closed.

The investigator didn't think Lloyds had done anything wrong, and Lloyds had said Mr L could apply again for a credit card if he wanted to.

Mr L said he's temporarily out of the country, so post wasn't a good way to communicate with him. Mr L said there's no proof the letter was delivered.

Mr L also said he was notified, online, his debit card might be withdrawn if he didn't use it. Mr L saw this message and used his card. Mr L didn't know why Lloyds hadn't posted a message online for his credit card like it did for his debit card.

And Mr L didn't want to reapply for a credit card as he may not get accepted now his credit score's been reduced due to the closure. Mr L asked for an ombudsman to decide things.

## **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.

Mr L's said he hadn't used his credit card for some time. Lloyds says Mr L last used the card in February 2020 and paid it off in March 2020. I don't think it's unreasonable for Lloyds to contact Mr L and ask if he still needed the credit card.

Lloyds has sent this service a template of the letter it sent Mr L. It says Mr L should use the credit card by a certain date or it'll be closed. Mr L didn't use the card.

I've also seen the notes from Lloyds which show a letter was sent in June 2022. Lloyds has Mr L's correct address, and I'm satisfied the letter was sent.

I accept there's no proof the letter was delivered, but the accepted approach is if there's proof the letter was posted then the letter's considered delivered. I'm satisfied Lloyds sent the letter so I'm satisfied it can be considered delivered.

So I think Lloyds did notify Mr L his credit card was due to close, and he needed to take action if he wanted to avoid this closure. It's unfortunate Mr L's credit score reduced following this closure, but I don't think Lloyds has done anything wrong.

Mr L says there are better ways to communicate with him, including emails, texts and adding a message online. Mr L says Lloyds added an online message for his debit card.

But there's no obligation on Lloyds to communicate this way. I don't think Lloyds has done anything wrong by only sending Mr L a letter to notify him of his credit card closure.

I realise, in hindsight, another method of communication may have alerted Mr L to the impending closure. But, at the time, it doesn't seem Lloyds was aware Mr L was out of the country and post wouldn't be the best method.

I don't think Lloyds made a mistake in only sending a letter to Mr L about the impending closure, or in closing the credit card itself. Because of this, I won't be asking Lloyds to reopen Mr L's credit card.

### **My final decision**

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 21 August 2023.

Chris Russ  
**Ombudsman**