

## **The complaint**

Mrs S complains that National Westminster Bank Plc (“NatWest”) allowed her account to be closed without her knowledge resulting in the loss of her funds.

## **What happened**

### *What Mrs S says*

Mrs S held a savings account with NatWest. In 2021 she asked them about the account as she hadn’t received any statements since 2009. NatWest initially told Mrs S the account was dormant and after several visits to her nearest branch, it was found that the account had been closed in 2014.

NatWest told Mrs S that the account’s balance was paid out in cash at a NatWest branch. Mrs S advised NatWest that she hadn’t closed the account herself and wanted to know who had. Mrs S also wanted the funds repaid to her. Mrs S raised a complaint in 2023 about the closure of her account.

### *What NatWest said*

NatWest initially thought the account was dormant and after further investigation, they found it had been closed some years earlier. They looked into Mrs S’s complaint and didn’t think they’d made any errors when the account was closed. They informed Mrs S that:

- The account was closed at one of their branches in 2014.
- The balance was paid out in cash.
- Identification was required to close the account and withdraw the cash.
- A final statement was sent to Mrs S at her home address.
- NatWest accepted that their initial review and advice that the account was dormant was incorrect.
- They accepted that Mrs S had incurred expenditure and unnecessary distress and inconvenience as a result of this and issued a payment to Mrs S.
- The payment totalled £167 - £92 for expenses and £75 for the impact this had on Mrs S.

Mrs S remained unhappy with the closure of her account and brought her complaint to the Financial Ombudsman Service (FOS) for an independent review where it was assigned to an investigator.

Both parties were asked to provide any evidence they held about the situation. NatWest initially objected to the complaint and argued that it was outside the jurisdiction of the FOS

due to certain time limits for making complaints being exceeded.

Mrs S provided details about her account and supporting evidence that she hadn't received any paperwork from NatWest about the account since 2009. In summary this said:

- Mrs S didn't possess a driving licence or passport at the time.
- Mrs S wouldn't have requested such a large amount of money in cash. It would have been as a cheque (as she had done previously) at her closest branch.
- On the day of the closure, she was attending a morning service at her local church and couldn't have been at the branch.
- The branch used to close the account wasn't her local one and she wouldn't have used it to conduct her banking business as there was a closer one to her home.
- Mrs S hadn't allowed anyone else to operate her account.
- Mrs S hadn't complained earlier because she was unaware it had been closed and the lack of statements had stopped some years ago.
- Mrs S had changed her bank's current account to one closer to her home but left her savings account with NatWest.
- It was believed that a staff member may have been responsible.

The investigator advised NatWest they were of the opinion that the complaint was within jurisdiction based on Mrs S only becoming aware of the closed account when she enquired about it in 2021. It was argued that her complaint in 2023 was within three years of becoming aware of the problem.

NatWest were asked if they required a specific jurisdiction opinion about their objections and whilst they continued to argue that Mrs S should have been aware that she hadn't received statements since 2009, they were content for the investigator to investigate the matter. NatWest didn't believe there had been a bank error.

NatWest provided a copy of the last statement and details of what was required to withdraw funds from an account and close it. NatWest said that:

- Identification would have been required to withdraw cash from a bank teller.
- The accounts payment card and corresponding personal identification number (PIN) would have been required, along with details supporting the removal of the cash ( an invoice or bill).
- Due to the passage of time, there were no further records available.

After reviewing the evidence, the investigator didn't think that NatWest should have to make a refund, it was commented that:

- Although Mrs S said she was elsewhere at the time, there was no substantial evidence to support this.
- NatWest don't have any detailed records due to the length of time that has passed.

- Mrs S hadn't shared any of her documents with anyone else.
- There wasn't enough evidence to reach an opinion on the case and NatWest weren't being asked to do anything further.

Mrs S disagreed with the investigator's outcome and as no agreement could be reached, the decision has now been passed to me for a decision.

NatWest made no further comment.

Mrs S made further comments, summarised as:

- If NatWest had notified Mrs S about the account's closure then she would have challenged this at time.
- Someone at the bank saw an opportunity to steal her funds.
- Mrs S had never been to the branch where her account was closed until some years later.
- Mrs S had never had a card or PIN for the account.

NatWest were asked about the credentials issued for this account ( whether a passbook/ card and PIN or something else). Due to the length of time that had passed, NatWest couldn't be certain of what was provided to access the account.

### **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.

At the outset to this complaint, NatWest raised "jurisdiction" as an issue based on the time Mrs S took to raise a complaint. There are rules governing when we can consider a complaint and in this case, the investigator thought that Mrs S complaint was within jurisdiction.

NatWest were originally asked whether a specific jurisdiction opinion should be prepared. Whilst they continued to believe that Mrs S should have raised it earlier, they also accepted that the investigation should go ahead. Once the investigators opinion concerning the facts (merits) of the case were provided, NatWest didn't raise any further objection to the complaints progression based on its merits.

As such, I'll go on to consider the complaint based on its merits, rather than a jurisdiction issue. To clarify, I have considered the original argument made by NatWest and given the specific facts of this case, I'm satisfied that it's within our jurisdiction to consider, and I'll explain why.

Although we don't have power to investigate complaints about events that happened more than six years ago, we can still look into what happened if the complaint is brought to us within three years of the date the complainant knew, or should reasonably have realised, that there were grounds to complain.

Mrs S wasn't aware that the account had been closed until her representative unearthed account details at her home. She went into the branch and discovered that the funds had been paid out and the account closed. It was at this point she realised something might have

gone wrong and that she could complain. And she did that within three years of finding this out. So, I find that her complaint was made in time.

One of the reasons for such time limits is to ensure that relevant paperwork is maintained by the business to support complaints. It wouldn't be practical or fair to expect a business to keep documents indefinitely. It's the case here that such supporting evidence is lacking, so I've had to rely on limited evidence in order to make my decision.

Essentially NatWest have said that based on their branch procedures, whoever turned up to close an account and request the balance paid in cash would need to follow the appropriate procedures at the time. That included the presentation of an identity document to satisfy that the person was authorised to access the account and give instruction – whether that involved additional account procedures or not. Based on Mrs S's testimony that she didn't have a card or PIN and NatWest's lack of certainty about this point, I accept that the account probably didn't use such methods. But it's not unreasonable to think that the appropriate procedures were followed when the account was closed and particularly when it involved the payment of over £4,000 in cash over the counter.

There was also a follow up to the account closure in the form of a closing statement. Again, there's no reason to think the closure process wasn't followed. This would have entailed the closing statement being sent out to the address held by the bank. NatWest have said their correspondence went to Mrs S's home address (and Mrs S hadn't changed it during that time), although I recognise that Mrs S said she stopped getting any correspondence about the account from 2009.

I appreciate here that Mrs S and her representative are of the belief that an employee within one of NatWest's branches was responsible for the closure and theft of her funds. I haven't seen any evidence of that, so haven't considered it any further. Of course, if Mrs S believes that to be the case, she's able to bring it to the attention of the local authorities for them to investigate.

I've considered the evidence provided by Mrs S and to an extent it's supportive of her case that she herself wasn't responsible. But, the length of time that has passed makes it very difficult to know what happened that day in the branch.

I have to consider the usual process for such a withdrawal, as it's unlikely that branch employees would abandon their normal process. As mentioned earlier the fact that cash was requested and the need for identification indicate that whoever turned up had authority to request the cash and close the account. It just doesn't seem likely that an unknown third party could provide the necessary identification to convince the branch staff that they were entitled to close the account and take the balance of the account in cash.

There's also the question of the closing statement that's prepared when an account is closed. Mrs S doesn't recall receiving this, but generally such statements are sent as part of the usual closure procedure.

But I'm satisfied the available information shows NatWest most likely closed Mrs S's account in 2014 as its records show and it paid the funds to the person who closed the account. NatWest can't say who that person was – but that's not enough of a reason for me to uphold Mrs S's complaint. After so long, I wouldn't reasonably expect NatWest to be able to tell me that information.

I understand that this will be a difficult message for Mrs S to receive, but given the overall circumstances of this complaint, I can't uphold it without stronger evidence to the contrary. I don't think it would be fair or reasonable to ask NatWest to refund the money from her

account.

I think NatWest was right to acknowledge that it wasn't as helpful as it could have been when Mrs S first approached the bank for information about the account, given they initially dealt with it as a dormant account. But I'm satisfied that the £75 compensation and £92 for costs incurred it has already paid her for this is fair and reasonable in the circumstances based on the unnecessary inconvenience and stress caused to Mrs S .

### **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 Mrs S to accept or reject my decision before 4 June 2024.

David Perry  
**Ombudsman**