

The complaint

Mr F complains that Yorkshire Building Society (YBS) provided him with a poor level of service and unfairly decided to close his savings account.

What happened

Around April last year, following a complaint, Mr F spoke with one of YBS' call handlers over the phone. Shortly after the call, YBS deemed some of the comments Mr F made during the call as inappropriate and said this was perceived as discriminatory. As a result, YBS decided to give Mr F notice that it would be closing his account.

YBS also addressed other concerns Mr F had raised and apologised for any errors it had made. YBS paid him £100 compensation for the distress and inconvenience it caused.

Remaining unhappy, Mr F escalated his complaint to this service. He feels victimised by YBS' action and wants it to compensate him for losses he says he incurred because of the account closure. Our investigator decided that YBS had acted fairly. Mr F didn't agree and asked for a final decision – so the complaint has been passed to me to decide.

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.

Having done so, I share the opinion that YBS has acted fairly and I'll explain why.

YBS' terms explain that it can close Mr F's account outside of the standard notice period (two months), including immediately, if the relationship between YBS and Mr F irretrievably breaks down – the terms refer to abusive or threatening behaviour towards YBS staff as an example. Mr F would've agreed to these terms when opening his account.

YBS says that Mr F's comments over the phone amounted to discriminatory behaviour and that he made personal disparaging comments against the call handler he spoke with. I've listened to the relevant call. I won't set out exactly what was said here, but I'm satisfied that YBS' interpretation of Mr F's comments is fair.

It's not for me to say how YBS delivers its savings services, nor can I interfere with its procedures. This includes its policy on inappropriate or unacceptable behaviour and how it decides when to stop providing savings facilities to its customers. YBS' obligations are to act in line with regulatory requirements, as set out by the Financial Conduct Authority (FCA). My role is to decide whether I think YBS acted fairly in the application of its terms.

In my opinion, YBS acted reasonably when it decided to close Mr F's account. Having listened to the relevant call, I think the comments Mr F made during the call were fairly identified by YBS as discriminatory. I'm also satisfied that what Mr F said demonstrates that the relationship between him and YBS had irretrievably broken down – in line with YBS' terms. So I think it was appropriate for YBS to issue notice to close Mr F's account.

Under the terms, YBS could've closed Mr F's account immediately. But I can see it gave him 60 days to make alternative arrangements, even though it didn't need to. I think this was reasonable in the circumstances, as it allowed Mr F to take some time to explore other savings options and decide what was suitable for him.

Mr F also raised concerns about the overall service he's received from YBS. This includes:

- Misinformation he says he received in branch
- A wrongly addressed letter and instances where correspondence YBS sent wasn't received
- Concerns about signatures on letters sent to him by YBS

Based on what I've seen, it seems to me that YBS has responded appropriately to these concerns – apologising for any errors it made where relevant. YBS also paid Mr F £100 compensation for the distress and inconvenience it caused. I think this is a fair way to settle this part of Mr F's complaint. This amount is also within the region of what I may have awarded, had YBS not compensated him at all.

To conclude, YBS fairly labelled Mr F's comments as inappropriate and discriminatory. And, as a result, I think it was reasonable for YBS to close Mr F's account in line with its terms. In my view, YBS has also fairly compensated Mr F for the inconvenience it caused because of its errors. So I won't be asking YBS to do anything more in relation to this complaint.

My final decision

For the reasons above, I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 15 August 2023.

Abdul Ali
Ombudsman