

The complaint

Miss M is unhappy that National Westminster Bank Plc (“NatWest”) closed her account.

What happened

Miss M received a letter from NatWest at her overseas address which explained that NatWest had taken the commercial decision to no longer offer banking services to people living in the country in which Miss M had received that letter. As such, NatWest gave Miss M six-month’s notice that they would be closing her account.

Miss M wrote to NatWest and explained that she was a resident of the UK and that she wanted to keep her account open. But when the six-month deadline given by NatWest in their letter expired, NatWest closed Miss M’s account. Miss M wasn’t happy about this, so she raised a complaint.

NatWest responded to Miss M and confirmed that they’d taken the decision to no longer provide banking services to people residing in the country in which Miss M had received their letter. And they noted that while Miss M had said that she resided in the UK, she hadn’t updated her address with NatWest to a UK address. As such, NatWest didn’t feel they’d done anything wrong by closing Miss M’s account as they had. Miss M wasn’t satisfied with Miss M’s response, so she referred her complaint to this service.

One of our investigators looked at this complaint. But they didn’t feel that NatWest had acted unfairly by closing Miss M’s account as they had and so didn’t uphold the complaint. Miss M remained dissatisfied, so the matter was escalated to an ombudsman for a final 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.

In much the same way as an individual can choose which bank that they apply to for an account with, so a bank can choose whether or not it’s willing to offer, or continue to offer, its services to any specific individual.

In this instance, NatWest made the commercial decision to be more UK centric and to no longer provide banking services to any of their account holders residing in a number of countries – including the country in which NatWest wrote to Miss M.

NatWest therefore sent letters to all their account holders in the countries they’d chosen to exit, giving those account holders six-month’s notice of NatWest’s intention to close their accounts and explaining why NatWest had made the decision it had. And I’m satisfied that this was a commercial decision that NatWest were fairly and reasonably entitled to make.

Miss M has said that she does reside in the UK. But NatWest only have record of holding an overseas address for Miss M. And Miss M’s account statements for the six-months prior to the account closure appear to show account activity based solely in the overseas territory

which NatWest believe that Miss M resides in.

Accordingly, I'm satisfied that it is fair and reasonable for NatWest to believe that Miss M resides in the overseas country in question here, and to have closed Miss M's account based on their decision to no longer provide banking services to residents of that country. And I also note that, while Miss M has written to NatWest and said that she is a UK resident, she hasn't provided any evidence of this, or given NatWest a UK address for her.

Ultimately, I don't feel that NatWest have done anything wrong or acted unfairly here. Miss M appears to have always held an overseas address with NatWest and she hasn't provided any evidence of a UK address for NatWest to consider. Furthermore, all of Miss M's account activity appears to confirm that she resides overseas.

NatWest have taken the commercial decision, which they're fairly entitled to make, to no longer provide banking services to residents of the country in which they reasonably believe that Miss M resides. And they wrote to Miss M in that country and gave her six-months' notice of their intention to close her account. And this doesn't seem unfair to me.

Miss M has said that she feels that NatWest are discriminating against her. But I don't feel that NatWest are acting unfairly in the manner that Miss M suggests here.

I say this because NatWest made the decision to close the accounts of all customers residing in the country in question. As such, I feel that NatWest have treated Miss M in the same manner as all other residents of the overseas country in question. And, as explained, NatWest are fairly entitled to choose to no longer offer banking services to residents of a specified country. I hope that Miss M finds some comfort in knowing that someone independent and impartial has considered this aspect of her complaint.

I realise this won't be the outcome Miss M was wanting, but it follows from all the above that I won't be upholding this complaint. I hope that Miss M will understand, given what I've explained, why I've made the final decision that I have.

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 Miss M to accept or reject my decision before 8 February 2024.

Paul Cooper
Ombudsman