

The complaint

Mr P complains that National Westminster Bank Plc unfairly closed his bank account and haven't provided a proper explanation for why it no longer wants him as a customer.

What happened

Mr P had a current account with NatWest. In November 2022, NatWest wrote to Mr P to let him know it was no longer willing to provide him with banking services. NatWest gave Mr P 60 days' notice that he needed to make alternative banking arrangements. NatWest closed Mr P's account in January 2023.

Mr P wasn't happy about this and complained to NatWest. In response, NatWest said it hadn't done anything wrong when it had closed Mr P's account and had closed it in line with the terms and conditions of the account.

Unhappy with this response Mr P brought his complaint to our service. One of our investigators reviewed the complaint and didn't think NatWest had acted unfairly. So, she didn't uphold Mr P's complaint. Mr P disagreed. He wants NatWest to explain why it no longer wants him as a customer.

As no agreement could be reached the complaint has come 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.

Firstly, in response to the investigators view, Mr P has said he is concerned that the investigator is biased because she hasn't upheld his complaint – with the implication being that the bank is influencing our conclusions inappropriately. Whilst I do recognise his concern, as an ombudsman service our approach is to consider what both parties say and then reach our own independent conclusions on that evidence. That is what we have done in this complaint. If Mr P does not agree with our view, he does not have to accept it, and if he does not accept this final decision, he will be free to continue to pursue his concerns by other means should he wish to do so. I cannot, however, advise him on how to go about doing that.

Mr P is unhappy that NatWest decided to close his personal account. Mr P has explained that he has been a customer of the bank for many years and had several accounts with the bank including business accounts. He thinks NatWest closed his account because he made a complaint regarding his business accounts.

Banks are entitled to decide for themselves whether to do business or continue doing business with an individual customer. In much the same way as a person can choose which

bank or financial business they apply to for a new account, or whether they will continue to maintain an existing account with a specific bank or financial business.

Each financial institution has its own criteria and risk assessment for deciding whether to continue providing accounts and providing an account to a customer is a commercial decision that a financial institution is entitled to take. That's because it has the commercial freedom to decide who it wants as a customer. And unless there's a good reason to do so, this service won't usually say that a bank must keep a customer. But they shouldn't decline to continue to provide an account without proper reason, for instance of unfair bias or unlawful discrimination. And they must treat new and existing customers fairly.

NatWest have relied on the terms when closing Mr P's account. In this instance the terms of Mr P's account say that in certain instances NatWest can close the account with immediate notice and by providing 60 days' notice to a customer. And it doesn't have to provide a reason for doing so. NatWest wrote to Mr P in November 2022, giving Mr P the full notice period that it was closing his account and that he'd need to make alternative banking arrangements.

I understand that Mr P wants NatWest to explain the reason it closed his account. I can appreciate that Mr P would have been frustrated and upset that when he spoke to NatWest about why it was closing his account, he wasn't given as much information as he would have liked. But I've seen a copy of the notice to close letter which NatWest sent to Mr P which provided the reason NatWest chose to end its relationship with Mr P. The letter states that the reason the bank was closing Mr P's account was because NatWest felt that the relationship between Mr P and themselves had irretrievably broken down. I'm satisfied that this is a valid reason for NatWest to decide to no longer offer its services to Mr P.

Having reviewed correspondence and listened to call recordings of conversations between Mr P and NatWest it seems to me that Mr P had lost faith in NatWest and was generally quite rude and abusive to their attempts to provide explanations to his concerns and requests for information. As such, I'm satisfied that the relationship between Mr P and NatWest has broken down to a degree whereby the bank's decision to no longer offer banking services to Mr P on the basis of that broken and irreparable relationship is a fair one.

Having looked at all the information available to me, I'm satisfied that NatWest's decision to close Mr P's account was reached legitimately and fairly. Both in a general sense and in accordance with the terms and conditions of the account. So, it was entitled to close the account as it has already done.

In summary, I appreciate Mr P is unhappy with NatWest's decision to close his account and would like to know more. But on balance I'm satisfied that NatWest has provided sufficient reasoning for deciding to close Mr P's account and have done so in line with the account terms. I realise Mr P will be disappointed by my decision. But based on the available evidence, I don't think NatWest treated Mr P unfairly in taking the actions it did.

My final decision

For the reasons I've explained, 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 P to accept or reject my decision before 31 January 2024.

Sharon Kerrison
Ombudsman