

The complaint

Mr C is unhappy with National Westminster Bank Plc's decision to close his accounts.

What happened

Mr C held accounts with NatWest and in early 2021 he was informed two of his accounts – a savings and a current account - would be closed due to dormancy. Mr C contacted NatWest regarding the closures and said his accounts had been closed in violation of the Dormant Bank and Building Society Account Act 2008.

NatWest reviewed Mr C's concerns and explained that due to inactivity on both accounts for over 5 years it closed them. NatWest explained Mr C was notified of the pending closures and it acted in line with the terms and conditions of the accounts.

Mr C was unhappy with NatWest's response and referred his complaint to our service for review. An investigator looked at Mr C's concerns. But they didn't think NatWest had done anything wrong and didn't uphold the complaint.

Mr C remained dissatisfied, so his complaint has been passed to me, 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.

Mr C has made several detailed points about his complaint which I have only summarised above. But I'd like to reassure him that I have considered his submissions in full. And I hope the fact that I do not respond in a similar detail here will not be taken as a discourtesy. As an informal dispute resolution service, we are tasked with reaching a fair and reasonable conclusion with the minimum of formality. In doing so, it is not necessary for me to respond to every point made, but to consider the circumstances as a whole.

Having done so, while I appreciate Mr C's strength of feeling about his complaint, I'm satisfied NatWest has acted reasonably. I'll explain why.

It is common for banks such as NatWest to have their own dormancy process. There is no set time a bank or building society must use to determine that an account is dormant – there is only industry guidance and good practice. I have considered good industry practice which includes guidance for banks dealing with dormant accounts. This encourages banks to follow ten core pledges, which aims to ensure customers are provided with sufficient notice and they are treated fairly. Looking at the available evidence, I am satisfied NatWest has adhered to its own dormancy process and this process is in keeping with good industry practice.

In Mr C's specific case it's not in dispute that NatWest informed Mr C of the impending closure of his accounts. Rather, Mr C believes NatWest is acting contrary to the legal

requirements of the Dormant Bank and Building Society Accounts Act 2008. The Act relates to accounts that have been inactive for 15 years or more to be distributed for community benefit, while allowing customers to reclaim their money. Under this scheme, they may transfer balances of dormant accounts to a not for profit reclaim fund which is authorised and regulated by the FCA. Mr C's accounts have been closed due to inactivity for 5 years and NatWest has confirmed there was a nil balance in both accounts. Having reviewed Mr C's comments, and the circumstances of the account closures I'm not persuaded NatWest has acted contrary to the Dormant Bank and Building Society Accounts Act 2008.

I can see Mr C says he was advised by NatWest during his complaint that on the opening of the account he would have signed a document waiving his rights to the full 15-year dormancy period required by law. NatWest hasn't been able to provide a copy of this document and it says it hasn't been its policy for these rights to be waived and that it does adhere to the provisions set out in the Dormant Bank and Building Society Accounts Act 2008. NatWest has provided what seems to be a reasonable response, and without any further evidence I can't say it acted unfairly to Mr C in following its standard dormancy process.

I understand Mr C has made requests for information from NatWest and he believes these have not been fulfilled. Mr C is concerned about the violation of GDPR regulations by NatWest in his case and on a more general level within NatWest. Our role is to provide an informal dispute resolution service and while I understand Mr C's strength of feeling, it means there are limits to what we can do. We aren't regulators and we don't have the powers of a regulator to, for example, fine or "punish" a business. In addition, I can't say whether there's been a breach of GDPR – that's a matter for a court or the Information Commissioner's Office (ICO). What I can do here is consider whether NatWest treated Mr C fairly. Looking at Mr C's complaint, I think NatWest has acted reasonably in its dealings with Mr C.

I know this will not be the outcome Mr C was hoping for and they will be disappointed with the decision I've reached. But I hope my decision provides some clarity around why I won't be asking NatWest to take any further action.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 2 January 2024.

Chandni Green
Ombudsman