

The complaint

Ms B complains about National Westminster Bank PLC (“NatWest”) closing her bank account.

What happened

Ms B opened a bank account with NatWest in 2018. The account was blocked by NatWest in mid-June 2021.

NatWest sent a letter to Ms B on 16 June 2021, which gave Ms B 14 days notice that her account would be closed.

Ms B complained to NatWest about her account being blocked; about not being told why it had been blocked: not being able to access funds in the account; being told to visit her local branch and being incorrectly told she could withdraw money from her branch. She also complained that NatWest had told her to apply elsewhere for a bank account, but her application had been turned down. Ms B told NatWest that she was unable to wait 60 days to get access to the money in her account.

NatWest responded to Ms B’s complaint soon after and said its decision to close her account remained unchanged. It said it was unable to provide Ms B with any specific details about how it arrived at its decision. NatWest apologised for Ms B being incorrectly told that she could withdraw money from the blocked account.

NatWest then closed Ms B’s account in mid-August 2021 and the funds from her account were released to her at around the same time.

Ms B remained unhappy and so brought her complaint to this Service. She was concerned that she had tried to open bank accounts with a number of different banks but wasn’t able to.

Our Investigator looked into Ms B’s complaint but didn’t uphold it. She said the terms of the account allowed it to close Ms B’s account, so she didn’t think NatWest treated Ms B unfairly.

Ms B didn’t agree with what our Investigator said, so this came to me for a 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.

I want to first of all let Ms B know that some of the concerns she has raised can’t be addressed in this decision. Ms B complained that several other banks have declined applications she made to open accounts with them. But this decision is just about NatWest, so I can’t comment on the actions of other banks who may have declined her applications. Similarly, Ms B also mentioned being the victim of fraud, in relation to a bank account with a

different bank. I appreciate how stressful this must be for her but, as I said, I can only look at the actions undertaken by NatWest here.

So I've looked at whether NatWest acted fairly when it closed Ms B's account, and I'm satisfied it did. I say this because NatWest's terms state it can either close accounts with a reasonable period of notice, allowing consumers time to open an account elsewhere, or it can close accounts without notice in specific circumstances. In Ms B's case it gave her 14 days notice, although I note the account was blocked immediately, which means it was effectively closed without notice. But, as I said, its terms allow it to do this in particular circumstances. And having seen the information about the account closure provided by NatWest, I'm satisfied it complied with the account terms when closing the account in the way it did.

I know Ms B is keen to know just why the account was closed. This is understandable, but NatWest aren't obliged to disclose this, and it wouldn't be appropriate for me to require it to do so. Just as a customer can choose who they bank with, a bank can choose who they have (and keep) as customers. A bank doesn't need to explain to customers why they're closing an account, just as a customer wouldn't have to provide their bank with a reason if they decided to leave them. All I can do is assure Ms B that I have seen all of the information provided by NatWest in relation to her complaint and I'm satisfied it acted fairly when it closed her account.

I can see that NatWest paid the balance of Ms B's account to her within a month of her completing the release form, which I'm satisfied is a reasonable amount of time.

Ms B was also unhappy that she had been incorrectly told she could visit her branch to sort this matter out and withdraw some of the money in her account. I can understand the loss of expectation that she will have experienced here. However, NatWest has apologised to Ms B for this, and I don't think it needs to do any more.

I know my decision will disappoint Ms B, but I could only ask NatWest to take further action here if I thought it had acted unfairly, and I'm satisfied that's not the case.

My final decision

It's my final decision that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 19 November 2023.

Martina Ryan
Ombudsman