

## **The complaint**

Mrs C and Mr C complain that National Westminster Bank Plc closed their joint account without a reason. They would like their account reinstated and Compensation.

## **What happened**

The detailed background of this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mrs C and Mr C had a joint account with NatWest. On 5 September 2022 NatWest issued them with notice to close the account given them 60 days' notice. The account was due to close on 4 November 2022.

Mrs C and Mr C weren't given a reason for the closure. They were also not able to use the switching service.

Mr C has said that due to the closure of the account they have suffered substantial financial losses including the selling of their business at a lower price than it was worth.

Mrs C and Mr C complained to our service. One of our investigators looked into the complaint. She thought NatWest were entitled to close the account. And they weren't obliged to provide customers with a reason for the closure. She thought the financial losses Mrs C and Mr C had incurred were in relation to their business and this closure was in relation to the closure of a personal account. In addition, they had access to the funds in their account during the notice period. She thought as the relationship had broken down it wouldn't be appropriate to ask for the account to be reinstated.

NatWest originally didn't provide our service with sufficient information for us to establish if the account had been closed fairly and so we couldn't establish if NatWest had been unfair in not allowing Mrs C and Mr C to use the switching service. Our investigator partially upheld the complaint and awarded £200 compensation to Mrs C and Mr C for this.

Mrs C and Mr C disagreed with the view they didn't think the compensation awarded was sufficient.

NatWest provided further information to this service. Following this our investigator issued a second view. Having reviewed the information provided the investigator thought NatWest had acted reasonable in closing Mrs C and Mr C's account and she couldn't see that NatWest had been unfair in not providing a switching service to them. She didn't think any compensation was due.

Mrs C and Mr C were unhappy with the second view.

As there was no agreement the matter 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.

### *Account closure*

Financial businesses, like NatWest, are subject to a number of legal and regulatory requirements. These mean they have to monitor their customers' accounts and may need to review an account at any time. They may need to ask customers about the origin of funds and the intended nature of transactions. I'm satisfied NatWest was complying with these obligations when it asked Mr C for information about how the account was being operated.

NatWest notified Mrs C and Mr C that they intended to close their joint account. It's generally for banks to decide whether or not they want to provide, or to continue to provide, banking facilities to any particular customer. Unless there's a good reason to do so, this service won't usually say that a bank must keep a customer or require it to compensate a customer who has had their account closed.

Banks should, however, give reasonable notice before closing an account. Usually that means 60 days' notice, but it can be less depending on the circumstances. I can see that NatWest wrote to Mrs C and Mr C on 5 September 2022 and let them know it was closing their account giving them 60 days' notice. So, I'm satisfied NatWest closed the account in line with the account terms.

NatWest has provided this service with information in confidence. Having reviewed this information I'm satisfied that NatWest acted fairly when they decided to close Mrs C and Mr C's joint account. It follows I won't be asking NatWest to reopen the account.

I know Mr and Mrs C wanted to use the switching service, but I'm satisfied that NatWest didn't act unfairly when they prevented Mrs C and Mr C from using the switching service. I note, the account was operational during the notice period, so it allowed Mrs C and Mr C to make arrangements with a new bank.

### *Reason*

Mrs C and Mr C have said they want to know the reasons why NatWest closed their joint account. I appreciate that Mr C is very upset at not being given a reason. He has told us he and his family have been customers of the bank for over 50 years. Whilst Mr C may have expected to be given the reasons for the account closure, NatWest isn't required to give him a specific reason. And I can understand Mrs C and Mr C's frustration that they haven't been provided a detailed explanation. But as the investigator has explained, NatWest is under no obligation to provide this information to them, as much as they'd like to know. So, I can't say NatWest have done anything wrong by not giving Mrs C and Mr C this information.

### *Impact*

Mr C has provided this service with substantial information and supporting evidence on the impact the closure of their joint account had on them. In particular he has mentioned they had to sell a business at a lower price than they would have expected to because of the immediate need for liquidity, with a loss of £25,000. They also had to take time off work to deal with the situation and employ an extra member of staff. They have also let us know that they incurred legal fees. The total financial losses are in excess of £33,000.

Mr C has said there was also a great deal of stress and uncertainty because of the closure of the account. This has impacted both Mrs C and Mr C's mental health.

I would like to thank Mr C for providing this service with the information on the impact the closure of the account had on them both financially and personally. I accept that these are

genuine financial losses. However, in order for me to direct that these losses should be recovered from NatWest I would need to be satisfied that NatWest had made an error in the actions it took. I have already said that I consider NatWest were acting fairly when they closed the joint account giving 60 days' notice. It follows I don't think NatWest should be held liable for the losses Mrs C and Mr C incurred.

I appreciate my decision will be disappointing to Mrs C and Mr C but having looked at the evidence before me I'm satisfied that NatWest acted fairly when they closed Mrs C and Mr C's joint account it follows, I won't be asking them to pay compensation.

### **My final decision**

For the reasons stated above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C and Mr C to accept or reject my decision before 8 February 2024.

Esperanza Fuentes  
**Ombudsman**