

The complaint

Ms J complains that National Westminster Bank PLC (NatWest) failed to credit her account after she deposited funds into it. She further complains that she was discriminated against and her account was closed, causing her overdraft to increase.

What happened

Ms J deposited money into her branch using a Cash Deposit Machine (CDM) and then paid further funds into her account using the teller services at the counter.

A few days later, Ms J received a text from the bank advising that her account was low in funds and she thought this must be wrong. Ms J approached the bank about this, and they told her their records only showed one deposit using the CDM. The bank investigated further, and CCTV was reviewed which showed Ms J depositing funds in the CDM and leaving the bank.

Ms J disagreed and claimed the bank had changed their records to support their story. Ms J had several conversations with branch staff and alleged that branch staff pushed her, were rude to her and discriminated against her. Branch staff allege that Ms J was abusive to them and photographed an employee she thought was responsible for the loss of her money.

NatWest decided to close Ms J's accounts, because the relationship between them had broken down. Ms J was told all her accounts within the Royal Bank of Scotland Plc banking group would be closed. One of the accounts was using an overdraft and remained open to allow for its repayment.

Ms J asked for a payment plan, but this was never followed up by the bank. NatWest told us that because the account was still within its overdraft limit, they were content for Ms J to repay it as she wanted. Ms J said her account was unusable after the bank cancelled her card and made a second complaint. NatWest refunded £54.23 interest as a goodwill gesture and told Ms J that she didn't need her card to make payments towards her overdraft.

Ms J refused to make any further payments and the debt accumulated. It was eventually defaulted, and NatWest employed a third-party company (referred to as B) to collect it.

Ms J was unhappy with how she was dealt with by NatWest and brought her complaint to our service for an independent review. An investigator looked into it and didn't uphold it. Ms J disagreed and asked for her complaint to be reviewed.

Ms J thought the loss of her funds was due to the "hack" of her phone which NatWest were covering up.

The complaint has been passed to me to make 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.

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I've read and considered the whole file, but I'll concentrate my comments on what I think is relevant. If I don't comment on any specific point it's not because I've failed to take it on board and think about it but because I don't think I need to comment on it in order to reach what I think is the right outcome.

Missing deposit

Ms J claimed that NatWest staff had stolen her money and manipulated the CCTV and banking records to cover the theft. NatWest provided audit records for Ms J's two accounts and they show that one deposit was made on the day in question. The statements and debit card records confirm this, and I've also examined the till records for that day. These show what the balance of each of the tills in the branch were at the end of business. If, as Ms J says, her money was deposited, I would expect a large difference between the records and the money left in the till. The tills didn't show any substantial difference between the records and the actual money left in them.

Ms J and NatWest's versions of events here differ greatly. Where that's the case and where evidence is contradictory or incomplete, then I have to consider what's more likely than not to have happened on the balance of probabilities. Here the evidence strongly suggests that it's more likely than not that only one deposit was made.

Ms J alleges that she wasn't provided with a receipt or a mini statement and this was part of the "theft". NatWest confirmed they'd stopped issuing mini-statements to save paper and that it was standard procedure to issue a receipt for any deposit. If Ms J had used the counter, it would have been standard practice for the bank to issue a receipt. They also confirmed that once deposits are entered onto their system, as Ms J states she observed, they cannot be amended. The records only showed one deposit to Ms J's account and I don't think it's likely that the records were amended here. I say that because it would have taken a great deal of work for these records to have been changed or altered because of the nature of the systems involved. So, while I've taken on board all that Ms J has said here, the evidence here doesn't make me think that Ms J used the counter services to deposit funds that day.

NatWest reviewed CCTV of Ms J's branch visit and said it didn't see her use the counter, only the CDM and then leave the branch. Ms J disputed this and alleged that the CCTV was edited, something that NatWest say is very difficult to do. The CCTV was reviewed by several different managers who confirmed what had happened. Since the complaint was made, the CCTV is no longer available.

Whilst I've not been able to review the CCTV, the bank's records confirm what was on the recording, which was reviewed on several occasions by different managers, who all agree the CCTV showed the same thing – that Ms J didn't use the counter. I find it unlikely that branch staff would act to manipulate the CCTV image, something which the bank said was very difficult to do. I think the review by separate managers is persuasive and their consistent review of what the images showed is more than likely what happened at the counter. Especially when viewed in the context of the other evidence of what is likely to have happened here.

Ms J's case is that branch staff deliberately changed the records, including the CCTV to hide the "theft" of her money. In her response to the investigator's view, Ms J believed that the loss of the money may have been due to a "*cyberspace hacking process*".

I have carefully considered everything that Ms J has said about this – but when viewed impartially the evidence I've seen here simply doesn't support that. Instead, I think it's more likely than not that Ms J made only one deposit when she visited the branch and used the CDM to do it.

Discrimination

NatWest's records show that on several occasions, conversations with Ms J became difficult. Staff report that Ms J was abusive to them. Ms J denies this and alleges that she herself was treated poorly, including being "pushed" out of the branch on one occasion. Ms J felt strongly about how she was treated and said that she was discriminated against.

Discrimination is a matter of law, set out in the Equality Act. It's for the courts to make findings on matters of law, and it wouldn't be appropriate for me to make a finding about the Act. It is though, a matter for me to decide whether Ms J was treated fairly in all the circumstances.

NatWest have records referring to the behaviour of Ms J in branch, including a visit where she took a photograph of an employee she thought was responsible for the loss of her money. NatWest considered that Ms J's conduct was no longer something they could continue with. Ms J denies being abusive and I've read her testimony about her experiences.

Without a recording, it's difficult to be sure what actually happened on the visits, but there's no evidence of the branch staff treating Ms J unfairly. I don't doubt that things became heated for both sides. But the branch were concerned at the way she behaved and when she took a photograph of an employee – this raised even more concerns about the situation. Several different people in the branch experienced this behaviour and I think it more likely than not that Ms J's behaviour caused the staff to be concerned, rather than branch staff treating her differently.

Ms J has alleged that she was pushed when leaving the branch, something that the branch manager denies. The branch manager wrote that Ms J was escorted from the building due to her behaviour but was never touched. If Ms J considers that she was pushed, this would be a matter for the police to investigate.

Account closure

NatWest made a decision to close all of Ms J's accounts because they considered the relationship had broken down. Businesses, such as NatWest, can choose who they do business with, just as customers can choose who they bank with. And that extends to businesses deciding that they may not wish to continue offering banking services to a customer.

NatWest's terms and conditions explain that one situation where they can close an account immediately under certain circumstances is if:

"you behave in an offensive, threatening or violent manner, which includes any racist or other discriminatory conduct, towards our staff"

NatWest wrote to Ms J about her conduct, after receiving reports from the branch staff about Ms J's visits. That's in line with the terms of the account above. I'm also satisfied that the closure notice was in line with the bank's terms and conditions too. NatWest did accept that the messages to Ms J were a little confusing regarding the closure dates and they delayed the closure of the accounts to allow Ms J to make alternative arrangements, which I think was a reasonable way to deal with the confusion over the closure dates.

Outstanding overdraft

I've thought about how NatWest handled the ongoing debt and whether they were they fair towards Ms J. NatWest never responded to Ms J about her offer to repay the overdraft on a payment plan and their reasoning was that because the debt was within the overdraft limit, they were happy to let Ms J pay what she wanted. I'm not sure this was especially helpful to Ms J at the time. Ms J offered to set up a payment plan and she wouldn't have been aware of NatWest's approach, in particular she wasn't told how long she had to repay it.

In the case where they've closed the accounts and left this one open to just repay the debt, I think it would have been more helpful to have engaged with Ms J at the time she offered a

payment plan to set out their expectations. If, as NatWest have said, it was within the overdraft limits – then Ms J could have, in theory, just paid the minimum to cover the interest and a small amount to reduce the overdraft which I would think wouldn't be what NatWest intended. Having said that, Ms J was adamant that she wouldn't pay anything to NatWest, so I can't see that any arrangement would've actually worked here.

NatWest gave Ms J options to discuss debt repayment and left the repayment open to her, they also refunded some accrued interest. NatWest explained how Ms J could pay money towards her overdraft without the use of her bank card, which had been cancelled. Because Ms J refused to repay her overdraft, I don't think anything NatWest did would have had an impact on the situation. My understanding is that B are now managing the debt and NatWest have said that Ms J can discuss a repayment plan with B. NatWest are entitled to collect the debt that accrued from the overdraft and are using B to do that which I think is a fair and reasonable way to collect the outstanding money that Ms J owes NatWest.

Ms J made further comments about being harassed by B, if she wishes to pursue that complaint, she can make a complaint to B. If she remains unhappy with how they've handled her complaint, Ms J can bring it to our service for a review.

In summary, I'm satisfied that only one deposit was made at the branch and there's no evidence that Ms J was treated any differently to other customers. I'm satisfied that NatWest followed their terms and conditions when they closed the account and how they dealt with the outstanding overdraft. As I've mentioned, they could have engaged with Ms J better when trying to arrange repayments for it, but ultimately Ms J made it clear she wouldn't repay it – so I don't think NatWest's lack of engagement had an impact on the situation. Given this, I think NatWest acted fairly and reasonably when they dealt with Ms J. So, taking everything into consideration, I won't be telling NatWest to do anything further.

My final decision

My final decision is that I don't uphold this complaint against National Westminster Bank PLC.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms J to accept or reject my decision before 03 November 2021.

David Perry
Ombudsman