

## **The complaint**

Mr K complains that National Westminster bank Plc blocked and closed his account. Mr K would like compensation and a reason.

## **What happened**

Mr K had an account with NatWest.

Mr K said on 2 September 2022 he was unable to use his card when he was out shopping. NatWest didn't give him a reason for this when he called them. Eventually Mr K was told to go into branch with his Identification documents.

Mr K went into branch on 3 September 2022. He was told he would have to wait for a letter to arrive in the post.

Mr K has said that this was his main account, and he supported his wife, baby daughter and his mother who is disabled. He said he was very embarrassed when his card was declined in the shop.

Mr K was given access to his funds on 9 September 2022.

Mr K received a letter on 9 November 2022 informing him the bank was giving him 60 days' notice of the closure of his account.

Mr K complained. NatWest looked at Mr K's complaint they said they were entitled to review and block the account and didn't need to give Mr K a reason. They agreed that Mr K hadn't received the best customer service and awarded him £50.

Mr K complained to our service.

One of the investigators looked at the complaint. The investigator asked NatWest to provide more information about why it had blocked and closed Mr K's account. But NatWest said it couldn't provide anything more than it had already provided to us. And maintained that it hadn't treated Mr K unfairly.

The investigator said although NatWest were entitled to review the account, they hadn't provided enough information to this service to be satisfied they had acted fairly in closing Mr K's account. Therefore, he thought NatWest should pay an extra £100 in compensation together with the £50 already awarded for the trouble and upset caused by the account closure. Our investigator thought that all funds had been returned to Mr K on closure of the account.

NatWest agreed with the view. Mr K disagreed he said the amount of compensation didn't reflect how he was treated and the difficulties he had gone through. He also said he hadn't received the £50 originally awarded.

The investigator confirmed to Mr K that NatWest had paid £50 into Mr K's account on 6 October 2022.

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.

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. While that is happening, they may need to block or restrict any payments.

This is reflected in NatWest's terms and conditions. These say NatWest can block an account to meet its legal obligations and delay payments if needed to carry out further checks. In this case NatWest have said they were following their regulatory obligations when they blocked the account. I am satisfied they didn't cause a delay during their review and were proactive in their enquiries.

Mr K wants to know the reason why NatWest blocked his account. But NatWest doesn't disclose to its customers what triggers a review of their accounts. And it's under no obligation to tell Mr K the reasons behind the account block, as much as he'd like to know. So, I can't say it's done anything wrong by not giving Mr K this information.

NatWest proceeded to give Mr K 60 days' notice of its intention to close the account.

NatWest needs to provide information to this service so we can fairly decide a complaint. NatWest has failed to provide sufficient information about why it blocked Mr K's account and the reasons why it no longer wanted him as a customer. So, in this particular case, because of the lack of information, I can't be satisfied that NatWest has treated Mr K fairly when it closed his account. Taking this into account, I agree with the investigator that NatWest should pay Mr K compensation for the trouble and upset caused by closing his account. Even though Mr K was given 60 days' notice of closure which allowed him time to open another account.

Mr K has suggested that he was £4,000 short when he received the balance of his account on closure. Having looked at the information provided I haven't seen any evidence of this, so I'm satisfied Mr K received the full balance of his account on closure.

I have gone on to consider the impact the block and closure had on Mr K. Mr K has said he was very embarrassed when his card was declined in the shop. He has also said that this was his only account, and he was supporting family members and the block made it very difficult to get everyday supplies for his family.

I've already mentioned that NatWest have legal and regulatory obligations which mean they are entitled to review payments and block accounts. NatWest were following these obligations when they blocked Mr K's account.

I appreciate that this was a difficult time for Mr K, and he found himself in a difficult situation. Having said that I haven't seen anything to indicate that Mr K suffered an impact over and above what would have been suffered by anyone that had their account blocked. As such I think the total of £150 is fair compensation. I am satisfied that NatWest have paid Mr K the £50 they originally awarded to him for failures in customer service, giving him the wrong information and telling him to attend the branch. I therefore think NatWest should pay him the balance of £100 to compensate him.

**My final decision**

For the reasons stated above I uphold this complaint. To put things right National Westminster Bank Plc should pay Mr K £100 compensation for the trouble and upset caused by the bank closing his account.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 20 December 2023.

Esperanza Fuentes  
**Ombudsman**