

The complaint

Mr C is unhappy that Bank of Scotland plc ("BOS") closed his account.

What happened

Mr C was overseas when he noticed that his BOS account didn't appear to be working. Mr C contacted BOS about this and was told that they had taken the decision to close his account. Mr C wasn't happy about this, especially as he hadn't been given any notice that his account was to be closed. So, he raised a complaint.

BOS responded to Mr C and explained that the terms and conditions of the account allow them to close his account so long as they provide two months written notice to Mr C. BOS also explained that they'd written to Mr C at the address he had registered with them two months before closing his account, notifying him that his account would be closed. Mr C wasn't satisfied with BOS's response, so he referred his complaint to this service.

One of our investigators looked at this complaint. But they didn't feel BOS had acted unfairly in how they'd managed the situation and so didn't uphold the complaint. Mr C remained dissatisfied, so the matter was escalated to 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.

In much the same way as a person can choose which bank that they apply to for a new account, or in how they can choose to close their account with one bank and open an account with a different bank, so banks are entitled to choose whether they will offer, or continue to offer, their services to any specific person.

In this instance, BOS's right to close Mr C's account is stipulated in the terms and conditions of that account, as per the following:

A9. Ending this agreement and closing your account

This agreement has no fixed or minimum duration and can be ended by you or us...

If we close your account, we normally given you at least two months' notice, but may do so immediately in exceptional circumstances ... If your account is closed, the agreement will end once you have repaid your balance in full.

Mr C feels that BOS didn't give him any notice of their decision to close his accounts. However, I'm satisfied from the evidence provided to this service by BOS that they did write to Mr C two months before they closed his account, at the address Mr C had registered with them at that time, and notified him of the impending account closure. Accordingly, I'm satisfied that BOS have acted within the terms and conditions of the account by closing it in the manner that they did.

Mr C has explained that he was overseas when BOS wrote to him and remained overseas until the point when his account was closed. And because of this, Mr C didn't receive any notice from BOS that they intended to close his account. I can sympathise with Mr C in this regard, and I can appreciate how the apparently sudden closure of his account might have been problematic for him. But it was for Mr C, as the account holder, to have kept BOS apprised of his up-to-date contact details. And I don't feel that BOS can fairly or reasonably be considered accountable for Mr C not receiving the letter they sent to him because Mr C hadn't updated his address details with them.

All of which isn't to say that Mr C hasn't been inconvenienced by what's happened here. And as explained, I can appreciate how Mr C might have been troubled and worried by what he perceived to be the sudden closure of his account.

But it is to say that I'm satisfied that BOS didn't act unfairly in making the decision to close Mr C's account or in how they implemented that closure. And I feel that the reason that Mr C didn't receive the two-month notice that his account would be closed was because Mr C didn't keep his address details with BOS correctly updated, which isn't something that I would consider BOS to be accountable or responsible for.

All of which means that I don't feel that BOS have acted unfairly here as Mr C contends. And it follows from this that I won't be upholding this complaint or instructing BOS to take any further or alternative action. I hope that Mr C will understand, given what I've explained, why I've made the final decision that I have.

My final decision

My final decision is that I do not 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 22 February 2024.

Paul Cooper
Ombudsman