

The complaint

Mr S complains National Westminster Bank Plc (“NatWest”) closed his account without properly notifying him.

Mr S adds that NatWest’s actions have caused him substantive financial loss, distress, and inconvenience.

What happened

The details of this complaint are well known by both parties, so I won’t repeat them again here in detail. Instead, I’ll focus on setting out some of the key facts and on giving my reasons for my decision.

Mr S moved abroad around 2005. NatWest say it sent Mr S letters notifying him of its intention to close his account in 180 days’ time. NatWest say a letter was sent in January 2023, and then followed up on in June 2023. Mr S says he never got these letters and NatWest were aware he had postal issues in the country he was residing in at the time.

Mr S’ accounts were closed in September 2023 and the funds held in them moved to one of its internal accounts. Mr S says he only realised his accounts had been closed once he was unable to use them.

Mr S says he found it difficult to find out what had happened and experienced poor service when trying to call NatWest. Mr S has also said NatWest sent the closure letters to the wrong address. Mr S adds that NatWest made it difficult for him to reclaim his funds as it asked for identity and verification documents to be notarised which was expensive for him to do. Mr S says this was very challenging for him to do as his money was tied up with NatWest.

Mr S was able to transfer his funds in March 2024 to a new account he opened with a third-party bank. Mr S says that not being able to gain access to his funds for around seven months has led to him losing out on interest had they remained in his savings account.

Mr S has explained in detail the considerable distress and inconvenience NatWest closing his account has had on him and his family. This ranges from not being able to meet his regular payments, pay for critical medical expenses, his health insurance lapsing due to non-payment of premiums, and having to borrow money from high-interest sources and family.

Unhappy with NatWest’s actions, Mr S complained. In its responses, and in summary, NatWest made the following key points:

- NatWest had given Mr S 180 days’ notice of its intention to close his accounts in line with its policy. Its sorry Mr S didn’t receive the notice letters, but NatWest can’t be held responsible for non-receipt of mail. NatWest has followed the right process and not made any errors

- NatWest is becoming a more UK focused bank. Because of that it's made the commercial decision to stop providing most banking services to international markets
- A reclaim pack will be sent to Mr S for him to initiate the process to regain his funds
- NatWest is sorry to hear about the trouble Mr S has had in getting through to it on the phone. It's not aware of any issues when its international number is called
- Mr S was sent a response by email in September 2023 from a branch member telling him the person he was trying to contact no longer worked there. So he would have to call NatWest
- NatWest should've handled things better by sending an email return response when he emailed the branch member

Mr S referred his complaint to this service. One of our Investigator's then looked into it, and they recommended it wasn't upheld. In short, the key findings they made were:

- NatWest is entitled to make the commercial decision not to offer banking services to customers not resident in the UK, and it did so in line with its terms and conditions
- NatWest has provided evidence that two letters notifying Mr S of its decision were sent. NatWest can't be held responsible for any postal issues Mr S faced in his country of residence. Nor is there anything to show it should've sent such letters by email
- NatWest has given Mr S options to reclaim his funds, this is fair and reasonable

Mr S didn't agree with what our Investigator said. In response, he has made many points. Some of the key ones are:

- NatWest didn't have his correct address as he had changed this on its system. Mr S said he changed his address in December 2023 to a different country with NatWest before its letters were sent. And later he changed it to a UK address in January 2024
- NatWest's policy of closing non-UK resident accounts isn't being exercised consistently as he has friends living in other countries who still have their NatWest account
- NatWest accepted in its final response that it had not got some things right
- Mr S intended to return to the UK for his children's education in 2023, but this has now been derailed due to NatWest's actions
- NatWest's inability to send copies of the exact letters it sent is evidence enough that they were unlikely sent

Our Investigator explained that NatWest no longer had the original copies of the letters it sent Mr S due to its retention policy. And the one's that it had sent him to show they were sent were generic samples. NatWest showed it sent the letters to the address it had on its systems. A screenshot of which was sent to Mr S.

Our Investigator also explained the address NatWest sent his notification letters to is the same one Mr S presented to this service as his own when he referred his complaint in

October 2023. Later, Mr S says he changed his address to a UK one in January 2023. Mr S also explained and elaborated on the profoundly adverse impact NatWest's actions have had on him and his family.

As there is no agreement, this complaint has been passed to me to decide.

What I've decided – and why

I'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I do stress however that I've considered everything Mr S and NatWest have said before reaching my decision.

I'd like to also assure Mr S that I have very carefully considered what he has said about the severe impact NatWest's actions have had on him and his family. And I do not underestimate this in any way.

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I have decided not to uphold this complaint. I'll explain why.

Account closure

NatWest is entitled to close an account just as a customer may close an account with it. But before NatWest closes an account, it must do so in a way, which complies with the terms and conditions of the account.

The terms and conditions of the account, which NatWest and Mr S had to comply with, say that it could close the account by giving him at least 60 days' notice if he wasn't resident in the UK.

NatWest say it provided Mr S with six months' notice of its intention to close his accounts. From what Mr S has said, and the information that's been provided to me, I'm satisfied he was residing abroad at the time NatWest made its decision. And given he had been since around 2005, I'm equally satisfied NatWest have acted fairly in treating Mr S as a non-UK resident.

NatWest has explained that it made the decision to close Mr S' accounts in line with its broader policy of cutting back on providing accounts to internationally based customers and being more UK focused. NatWest is entitled to exercise commercial discretion in who it offers its accounts to. Given it gave Mr S six months' notice, I don't think it's done anything wrong in so far as allowing him sufficient time to make alternative arrangements.

Closure notification

This brings me to what I see as the crux of Mr S' complaint. That is, NatWest hasn't provided sufficient evidence the letters were sent, and if they were, that they were correctly addressed. Mr S says the letters were sent to the wrong address and NatWest were aware

of his issues with getting international letters.

NatWest has sent me internal screenshots which show the notice of closure letters were sent to Mr S in January 2023 and June 2023. The address its systems show they were sent to is the same address Mr S used on his complaint form when he referred his complaint to this service in October 2023. Mr S has been inconsistent with what his address was – as above – and when he changed it with NatWest.

But his earliest representation about this suggested he changed his address to the one on NatWest's systems in December 2023 and later in January 2024. But this was after the accounts had been closed and his funds moved to a sundry account. Importantly, this is after the letters were sent to the same address Mr S presented as his residence in October 2023 – and the one recorded at the time of NatWest's systems.

So, after carefully weighing this up, I'm persuaded NatWest sent the letters to Mr S' correct address at the time. I'd also add that I haven't seen any other compelling evidence Mr S had changed his address before the notification letters were sent.

Mr S isn't happy NatWest don't have the original letters it sent. Because of this he questions the validity and reliability of this information. Ideally, copies of the original letters would be desirable as evidence that they were sent correctly. NatWest say it doesn't have these anymore due to it only retaining this information for six months on its systems.

NatWest has sent me a screenshot from its internal system which shows when letters under this process were sent to Mr S and the address corresponding to it. It's also sent me the template letters - which don't have specific customer details on them - to show what he was sent. Based on the evidence I do have; I'm satisfied this shows he was most likely sent the letters in the way NatWest say.

Mr S argues NatWest should have done more than just send him these letters given it knew he had postal issues in the country he was living in. I haven't seen compelling evidence Mr S could only receive emails. And I can understand why such important letters were sent by post. Having said that, its possible letters sent abroad through standard delivery didn't reach Mr S. But I haven't seen persuasive evidence he was having problems with receiving his letters there.

Release of funds

Mr S has said that by the time he knew about NatWest's decision to close his accounts, they had already been closed. That meant the funds in them were moved to one of NatWest's internal accounts. This was in line with what NatWest said it would do if Mr S hadn't made alternative arrangements before closure.

I can understand why Mr S was unhappy about having to send in notarised documents to validate his identity and other personal details given he'd been a long-standing customer. However, having given this careful thought, and as Mr S was residing abroad, I don't think what NatWest were asking him to do to release the funds was onerous.

NatWest has a responsibility to protect its customers from financial harm. And ensuring it takes appropriate steps to verify a customer before sending the funds would form part of its obligations to do so.

Mr S isn't happy that it took around seven months for him to get his money returned to a new account. But I note he was reticent to get his documents notarised due to the costs this involved. And that this was exacerbated by him not having access to use his funds in the first

place.

I agree that this is an unfortunate predicament. But I also think, as I've already said, what NatWest were asking was reasonable. And I note it had made this clear from the time Mr S realised his account had been closed. Because of this I don't think NatWest has done anything wrong. That means I don't think it needs to pay any interest Mr S would otherwise have benefitted from on his savings.

Mr S says that NatWest accepted liability for not getting things right on its final response letter. But I note this related to him getting an email return from the email he sent to a branch member he had dealt with before. Mr S was sent a response to this email by another branch member, and from what he's said, he knew he needed to contact NatWest using its international number.

This admission by NatWest that it could've done better relates solely to how it responded to his branch bound email. And I think that what NatWest did at the time didn't cause undue delay to Mr S communicating with someone to find out what had happened.

Having said that, and as I alluded to earlier, I do empathise with Mr S given what he has said about the impact NatWest's decision to close his accounts had on him. But given I don't think it did anything wrong, I see no basis to make an award for any financial loss, distress, and inconvenience he has suffered.

Lastly, I can't make any finding on what Mr S has said about the consistency of NatWest applying its policy to de-bank non-UK resident customers given he says a friend of his, also living abroad, has been able to retain his account. My role is to determine individual complaints by considering what is fair and reasonable in all the circumstances of the case. And that is what I have done here.

My final decision

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 25 September 2024.

Ketan Nagla
Ombudsman