

## **The complaint**

Mr A complains that National Westminster Bank Plc ('NatWest') unfairly closed his bank accounts. He wants NatWest to allow him to have a personal account and to remove his name from its banned list.

## **What happened**

Mr A had a number of bank accounts provided by NatWest.

Between 1 and 8 December 2022 NatWest froze Mr A's personal accounts without giving him any notice or any explanation.

On 27 January 2023 Mr A received a letter saying NatWest would close his personal accounts on or after 28 March 2023.

Mr A asked NatWest to reconsider. It extended the account closure deadline to 1 June 2023.

Mr A complained to NatWest and said he wasn't sure NatWest had taken into consideration all the evidence he'd provided. The evidence included information relating to his banking activity and that of his father for whose account Mr A said he was a signatory due to his father's health condition. He also said NatWest had made its decision on the basis of race.

NatWest responded to Mr A's complaint on 31 May 2023. It said it had taken all the evidence into account and it wouldn't grant any further appeal to Mr A. In summary NatWest went on to say the following:

- NatWest hadn't acted on the basis of racial discrimination.
- NatWest took its legal and regulatory obligations very seriously and had examined its decision very carefully to ensure compliance with those obligations.
- NatWest had acted in line with its terms and conditions, in particular section 12.2 for current accounts and 10.2 for savings accounts. In line with these it had given Mr A 60 days' notice and an extension.
- The decision to close Mr A's accounts was final. NatWest couldn't discuss it with him or give him any further information about it.
- The decision wouldn't be shared with other banks. So Mr A could make other banking arrangements outside the NatWest group.

Mr A referred his complaint to this service. In summary he said the following:

- He'd been a loyal customer of NatWest for many years and his family had used NatWest too. He hadn't breached NatWest's terms and conditions and wouldn't do so.

- NatWest's decision to close his accounts was based on false suspicion and an association.
- Mr A had developed a strong emotional attachment to NatWest. He wanted to continue using it. And he aspired to bank with Coutts.
- He was happy to discuss any of his transactions with NatWest.
- He'd taken the closure personally. It appeared to be '*purely based on racial discrimination, name, place of birth, etc.*'

Mr A also provided information about his father's banking activity and his connection with that. He said he believed the activity on his father's account, which involved receiving transfers from an overseas country, was the reason NatWest closed his accounts. But he didn't think that was a valid reason.

One of our Investigators looked into Mr A's complaint. In summary, she said NatWest had acted fairly and in line with its legal and regulatory obligations when it restricted and closed Mr A's accounts. The Investigator further said:

- She hadn't seen evidence NatWest had discriminated against Mr A.
- Banks are under strict legal and regulatory obligations. They must follow those obligations without unduly inconveniencing their customers.
- Clause 5.3 of NatWest's terms and conditions allowed NatWest to restrict Mr A's accounts without notice or explanation. And clause 12.2 allowed NatWest to close his accounts with 60 days' notice.
- NatWest hadn't caused any undue delays in reviewing Mr A's account.
- The Investigator couldn't share them with Mr A, but she'd carefully considered NatWest's reasons for restricting and closing his accounts. And she thought NatWest had acted fairly.

Mr A didn't accept the Investigator's view. He said he didn't want to be the subject of a lifelong ban by the NatWest group.

Because no agreement could be reached, the complaint was passed to me to review afresh and 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.

Having done so, I'm not upholding the complaint. I'll explain why.

NatWest's terms and conditions allowed it to close Mr A's accounts the way it did. And the terms and conditions allowed it to restrict Mr A's accounts without notice and without giving a reason. So I'm satisfied NatWest acted in line with its terms and conditions.

When applying its terms and conditions I'd still expect a business to act fairly and reasonably and not unduly inconvenience its customers. In this case, I've weighed up NatWest's reasons for restricting and closing Mr A's accounts in the way it did and I'm satisfied

NatWest didn't act unfairly or unreasonably in applying its terms and conditions that way. Having decided to exercise its right to close Mr A's accounts NatWest gave Mr A sufficient time to make other banking arrangements.

Mr A has said that he thinks the reason his accounts were closed by NatWest was because of his nationality or race and he thinks NatWest has discriminated against him. While I appreciate this is Mr A's perspective, it's not my role to decide whether discrimination has taken place as a matter of law – only the courts have the power to decide that. I have, however, considered the relevant law in relation to what Mr A has said when deciding what I think is the fair and reasonable outcome. Part of this has meant considering the provisions of The Equality Act 2010. Having done so and seen NatWest's reasons for closing Mr A's accounts, I'm satisfied its decision wasn't related to any protected characteristic held by Mr A. NatWest acted in pursuance of its legal and regulatory obligations and there's no evidence it acted improperly.

I know it's very frustrating for Mr A not to be told the reasons for NatWest's actions. I know he offered to discuss his banking activity with NatWest in the hope of persuading NatWest not to close his accounts. But NatWest was under no obligation to discuss its decision with him. And I'm not able to share NatWest's closure reasons with Mr A either.

Overall, I do understand Mr A's dismay at being unable to continue banking with the NatWest group. But I can't say NatWest has acted unfairly or unreasonably in this instance. So I'm not asking NatWest to do anything.

### **My final decision**

For the reasons I've set out above, my final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 2 July 2024.

Lucinda Puls  
**Ombudsman**