

## **The complaint**

Mr J complains National Westminster Bank Plc (“NatWest”) closed his account without notice nor explanation despite providing information it had requested when reviewing his account activity.

Mr J adds NatWest should’ve done more to notify him about the closure. Mr J is also unhappy NatWest demanded he settle his debts, and that he has been discriminated against.

Mr J says NatWest’s actions have caused him reputational and financial loss, distress, and inconvenience. Mr J is represented by his ex-girlfriend, but to keep things simple, I will mainly refer to him in my decision.

## **What happened**

Firstly and importantly, I’d like to assure Mr J and his representative that I do not undervalue in any way the significant mental health and financial impact they say NatWest’s actions have had. I note our Investigator has signposted Mr J to free organisations who can help.

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.

Around August 2023, NatWest carried out a review of Mr J’s account activity. Mr J spoke to NatWest and complied with any requests it made. Later in October 2023, NatWest sent Mr J notice that it had decided to close his account in 60 days’ time as per its terms and conditions. Mr J says he didn’t receive this letter, and only discovered what had happened after the account was closed and NatWest demanded payment for the money he owed.

Mr J complained. NatWest didn’t uphold Mr J’s complaint. In short, it made the following key points:

- Mr J was given 60 days’ notice of closure in line with NatWest’s policy. NatWest relies on the postal service and has no control of delivery once a letter has been posted
- NatWest closed the account in line with its obligations. NatWest doesn’t need to divulge to Mr J the precise reason behind its decision and is also under no obligation to do so

Mr J referred his complaint to this service. One of our Investigator’s looked into it, and they recommended it wasn’t upheld. In short, their key findings were:

- NatWest closed Mr J’s account in line with its terms and conditions and a letter notifying him of this was sent in the post
- NatWest has explained to this service why it took the actions it did. Based on that it

acted fairly and no error has been made. NatWest doesn't need to give an explanation to Mr J

- NatWest sent the letter to the same address this service holds for Mr J. Its terms don't say NatWest needed to send the notification on several occasions. Mr J received the final response letter NatWest sent him, so on balance it can't hold it responsible for Mr J not receiving his closure notification
- Both NatWest's terms and notice letter explain Mr J would need to pay of his overdraft and debts
- Mr J says he was discriminated against, but he's been treated fairly

Mr J didn't agree with at our Investigator said. The representative also explained that Mr J had sent her payments overseas to support her living and business arrangements, and she agreed to repay him in cash. Mr J's representative feels her actions have adversely affected Mr J and led to NatWest's decision to close his account and demand payment of money owed. I'd like to assure Mr J that I'm also aware of his explanation for his account activity in the whole.

Our Investigator reiterated her previous findings and explained that the new information from Mr J and his representative didn't change their minds. Mr J say NatWest has a moral obligation to ensure he received the notice of closure. Mr J says he was also told by NatWest's account review team everything was in order.

As there was 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 J, his representative, and NatWest have said before reaching my decision.

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.

Banks in the UK, like NatWest, are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They are also required to carry out ongoing monitoring of an existing business relationship. That sometimes means banks need to restrict, or in some cases go as far as closing, customers' accounts.

NatWest has explained why it reviewed Mr J's account, including the content of its review around August 2023. Having carefully considered this, I'm satisfied it did so in line with its obligations.

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 J had to comply with, say that it could close the account by giving him at least 60 days' notice. And in certain circumstances it can close an account immediately or with less notice.

NatWest gave Mr J 60 days' notice with full access to his account before closure. Given the reasons and evidence it has given me, I'm satisfied NatWest closed the account fairly and in line with its terms and conditions. In saying so, I've considered what Mr J has said about being told everything was in order following an account review in August 2023. But I still think NatWest acted fairly in closing the account.

Mr J says he didn't receive the notice of closure letter. NatWest has given me a copy of this letter and I can see it has been correctly addressed. I haven't seen any compelling evidence that Mr J was having postal issues. So on balance it's most likely it was sent to him correctly by NatWest – particularly as he received subsequent complaint related letters.

Mr J says NatWest should have sent him more communication about the closure through letters, recorded delivery and email or other means. I can understand why Mr J says this given the seriousness of the communication – but NatWest is under no obligation to do so. And I think it acted fairly given it wasn't aware of any postal issue Mr J had.

Mr J has benefited from the funds he owes NatWest. So I'm satisfied NatWest is acting fairly by asking for the overdraft to be paid. Particularly as Mr J doesn't have the account with it anymore and overdrafts are payable upon demand. The account being closed doesn't absolve NatWest of taking appropriate measures it's required to do so when collecting debt and dealing with financial difficulty.

As Mr J can't pay off the overdraft due to financial difficulty it's important that he should seek support in the way our Investigator has suggested, and/or speak to NatWest.

I know Mr J would like a detailed explanation for why NatWest took the actions it did. But NatWest is under no obligation to do so. I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from banks as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information NatWest has provided is information that we considered should be kept confidential.

I note Mr J says he has suffered reputational damage at work, financial loss, and severe distress and inconvenience. And this is understandable. But having looked at what's happened in this particular case, I can see no basis on which I might make an award against NatWest given I don't think it did anything wrong.

So I'm not going to ask NatWest to compensate Mr J.

### **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 J to accept or reject my decision before 5 January 2025.

Ketan Nagla  
**Ombudsman**