

The complaint

Mr N complains National Westminster Bank Public Limited Company (“NatWest”) closed his accounts without explanation and didn’t open him a Basic Bank Account (BBA). Mr N adds that NatWest failed to properly consider his vulnerabilities and provided him with poor customer service.

Mr N says NatWest’s actions caused him financial difficulties, 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.

In February 2024, NatWest notified Mr N it had decided to close his accounts in 90 days’ time. Mr N complained about this and service issues he was having using NatWest’s channels of communication. NatWest upheld Mr N’s complaint in part. The key points it made, in summary, were:

- NatWest closed Mr N’s accounts in line with its terms and conditions and doesn’t need to provide anymore information about why it did so
- Mr N was provided poor service by NatWest’s webchat team as it spelt his name incorrectly, and he was transferred to an incorrect team – and that team referred to an old complaint Mr N had raised in November 2023. Mr N was credited £100 for that complaint. NatWest are sorry about this and in recognition of the overall poor service, it credited Mr N’s account with £150 compensation

Mr N referred his complaint to this service. One of our Investigator’s looked into Mr N’s complaint. Mr N emphasised that he had told NatWest about his health conditions and vulnerabilities. He also added that he did have another account with another provider at the time, but his NatWest accounts were the main ones.

Our Investigator recommended Mr N’s complaint wasn’t upheld. In summary, their key findings were:

- NatWest closed Mr N’s accounts in line with its terms and conditions and did so fairly by giving Mr N 90 Days’ notice to make alternative arrangements. NatWest doesn’t need to provide an explanation
- Mr N had another external account at the time. He says he wanted a BBA but as he had another account the impact was minimal
- Having reviewed NatWest’s internal note regards the webchat interaction, NatWest did provide poor service for the issues identified. And the £150 NatWest has paid is fair compensation for this and in line with what this service would recommend

- There's no evidence to show NatWest has recorded any adverse information against Mr N. Mr N can contact credit agencies and CIFAS directly to make enquiries about what information is otherwise held about him

Mr N didn't agree with what our Investigator said. As there was no agreement, this complaint has been passed 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.

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 NatWest needs to restrict, or in some cases go as far as closing, customers' accounts.

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 N had to comply with, say that it could close the accounts 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 N 90 days' notice. NatWest has also provided an explanation and supporting evidence as to why it closed Mr N's accounts in this way. Having carefully considered this, I am satisfied NatWest closed Mr N's accounts in line with its terms and conditions.

I can understand why Mr N would like a detailed explanation why NatWest acted in this way – but it is under no obligation to do. Mr N says NatWest failed to act appropriately given it knew about his ill health and vulnerabilities. NatWest has shown what information it held about Mr N's conditions and vulnerabilities. It has added that it did take this into consideration – and that's why it gave Mr N 90 days' notice as opposed to 60 days' in its terms and conditions. And that way he had longer to make alternative arrangements. Having carefully reviewed this information, I'm persuaded NatWest acted appropriately here by giving Mr N longer notice.

Mr N also says that NatWest should have given him a BBA following the closures. The relevant regulation here are the Payment Account Regulations 2015 (PAR's). They say a consumer isn't eligible for such an account if they hold a payment account with any United Kingdom credit institution. So NatWest didn't do anything wrong in not signposting Mr N to its provision of BBA's for him to then apply for one.

As I don't think NatWest has done anything wrong in closing the accounts in the way it did, and in not making Mr N aware of its provision of BBA's, I see no basis in which to award any compensation for the financial difficulties, distress, and inconvenience Mr N says he suffered.

Lastly, I've looked at the customer service issue Mr N complained about. NatWest accept it had failings here in line with what Mr N has said. Having carefully considered this, I'm satisfied the compensation of £150 NatWest paid Mr N is fair and in line with what this service would likely award.

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 N to accept or reject my decision before 15 August 2025.

Ketan Nagla
Ombudsman