

The complaint

Mr D complains that The Co-operative Bank Plc closed his accounts without giving him notice and without telling him the reasons why.

What happened

Mr D held several accounts with the Co-op Bank, including current and savings accounts, an ISA and a credit card account.

On 14 August 2024 the bank wrote Mr D to tell him that it would be closing his accounts with immediate effect. He would need to make alternative banking arrangements and would no longer be able to use the accounts.

Mr D contacted the bank the following day to try to find out why he could not use his accounts, but was given only limited information.

When Mr D complained to the bank about its actions, it said that it had acted within the terms and conditions of the accounts, but did not give him any more details.

Mr D referred the matter to this service, where one of our investigators considered what had happened. She did not recommend that Mr D's complaint be upheld. Mr D did not accept that assessment and asked that an ombudsman review the case. In doing so, he noted that he had been a customer of the bank for more than 60 years, and he explained the difficulties which the bank's actions had caused him – for example in paying bills and receiving his pension.

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.

It is generally for banks to decide whether to provide, or to continue to provide, account services to any particular customer. They can exercise their commercial discretion in such matters and, as long as that discretion is exercised legitimately, this service won't usually intervene.

Co-op Bank has explained to this service why it took the decision to close Mr D's accounts and why it decided to do so with immediate effect. It has also asked that much of the evidence and arguments which it has submitted be kept confidential and not be disclosed to Mr D. This service can accept evidence in confidence where it considers it appropriate to do so (DISP3.5.9(2)R). Having considered carefully the nature of the evidence in this case, I am satisfied that it is appropriate to accept some of it in confidence. I am satisfied too that the bank's reasons for closing Mr D's accounts were legitimate and that it was reasonable not to disclose them to Mr D.

Banks should however give reasonable notice before closing an account. What is reasonable depends on the circumstances, but we generally take the view that two months'

notice is reasonable for a personal account. There may however be circumstances where a different notice period is reasonable. That period may be less or more than two months, and in some cases immediate closure may be appropriate. In this case, I agree with the investigator that it was reasonable of the bank to close Mr D's A's accounts with immediate effect.

I can understand why Mr D is unhappy with Co-op Bank's decision, especially after his long relationship with it. I acknowledge too that it has caused him significant inconvenience. But, since I am satisfied the bank's decision to close the accounts with immediate effect was a legitimate one, I cannot properly make an award in recognition of that.

My final decision

For these reasons, my final decision is that I do not uphold Mr D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 13 May 2025.

Mike Ingram

Ombudsman