

The complaint

Mr and Mrs F complaint that National Westminster Bank Plc unfairly closed their accounts with it.

What happened

Mr and Mrs F had a number of accounts with NatWest. They had been customers for many years.

On 30 July 2024 NatWest wrote to say that it would be closing their accounts after 90 days – that is, on or after 28 October 2024. The letter did not give any reasons for the bank's decision, but it did say that the bank would not discuss the matter further.

Mr F complained about the bank's decision. He noted the distress and inconvenience it would cause, but the bank declined to reverse the decision. It said it had acted within the terms and conditions of the accounts.

Mr and Mrs F referred the matter to this service, but our investigator agreed with the bank that it had acted within the accounts' terms. It had made a legitimate commercial decision to close the accounts.

Mr and Mrs F did not accept the investigator's assessment and asked that an ombudsman review the case.

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.

In her assessment, the investigator noted that the bank had asked that some of the evidence and arguments which it had submitted be kept confidential and not be disclosed to Mr and Mrs F. 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.

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. I have considered that issue here, and am satisfied that NatWest's decision to close the accounts was a legitimate one. The bank did not have to tell Mr and Mrs F exactly why it had decided to close their accounts.

The bank has disclosed to this service why it reached the decision to close the accounts. I do not believe I should share its reasons with Mr and Mrs F, but I am satisfied they were legitimate.

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. The account terms in this case allowed for closure on two months' notice in normal circumstances.

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, the bank gave more than two months' notice, and I agree with it that a period of 90 days was reasonable in the circumstances.

I am satisfied therefore that NatWest not only acted in line with the account terms, but that it acted reasonably in deciding to close the accounts and that it gave reasonable notice before doing so.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs F and Mr F to accept or reject my decision before 22 May 2025.

Mike Ingram

Ombudsman