

## **The complaint**

C, a limited company complains that National Westminster Bank Public Limited Company (NatWest) declined their application for a business bank account unfairly.

Miss T, who is a director of C, brings the complaint on C's behalf.

## **What happened**

As part of setting up their new business, C applied for a business current account with NatWest. After reviewing the initial application, NatWest's case handler sent Miss T an email which detailed the identification documents they needed from her two colleagues that were based abroad. They also explained that these documents would need to be translated and notarised in order to be accepted.

C responded to this request, but NatWest said the tax documents they gave weren't an acceptable form of proof of address. They also explained there was a discrepancy with one of the addresses stated in the documents, as it wasn't an exact match to the address provided as part of the application. To progress the matter, they therefore said alternative proof of address documents would need to be provided.

Miss T then asked NatWest to change their decision as she said it wasn't fair the documents were rejected. It cost the business approximately £250 to get everything prepared, NatWest's website says HMRC documents are suitable, and it was unreasonable of the bank to raise a minor address discrepancy. NatWest didn't change their decision, so they set up a complaint.

In the final response, NatWest agreed their website says HMRC documents are acceptable, but explained that C's documents weren't from HMRC, and it's their policy not to accept documents from equivalent organisations. They also said they had given clear instructions about the documents they could accept, and they were prepared to continue the application if their identification requirements were met.

Miss T then escalated C's complaint to our service. In the complaint form, she said NatWest's website is misleading, and their decision to refuse the identification documents was overly strict. She also said she was forced to withdraw C's application and start the process again with a different bank. So, to resolve the complaint, NatWest should acknowledge the financial impact of their actions and put things right.

An investigator at our service then considered the complaint, but didn't uphold it. She disagreed NatWest had misled C about the documents they would be able to accept or that the application was considered unfairly.

Miss T didn't accept the investigator's opinion, so I've considered the complaint afresh.

## **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 don't uphold this complaint, and I'll now explain why.

NatWest and all UK banks are obligated to comply with extensive regulatory and legal requirements, when opening new customer accounts. So, I don't find it unusual that NatWest asked C to comply with their identification requirements as part of their application.

NatWest share details on their website about the type of identification they may require from their customers. The website lists a variety of different options including documents from HMRC, but it doesn't say that documents from equivalent organisations will be accepted. This means, while I appreciate the reasons Miss T and her colleagues unfortunately assumed this type of identification would be suitable, I don't think NatWest are reasonably responsible for this.

On receipt of C's application, I can see NatWest explained the type of documents they could accept as valid proof of address. The list comprised of a utility bill, a bank statement dated within the last six months, or a mortgage statement dated within the last 12 months. This email took into consideration C's specific application and detailed all the information they should reasonably have needed to be able to comply with the request. I also note that the email was sent by a dedicated case handler, so NatWest made it clear who Miss T could contact if additional support or alternative options were required. In acting this way, I'm satisfied NatWest did everything I would reasonably expect to try and help C comply with their identification requirements and progress the application.

As detailed above, once NatWest reviewed C's documents, they explained they couldn't accept the proof of address that had been provided, as it didn't comply with their approved list. They also said the application would be placed on hold, until new documents were received. As such, NatWest didn't decline the application, and I disagree that Miss T was forced to approach a different bank on C's behalf. I do appreciate the additional expense and hassle associated with NatWest's request for alternative documents, but I don't think they did anything wrong by requesting them. This request was made to ensure NatWest complied with their regulatory requirements, and it was C that decided to withdraw their application.

I'm aware Miss T feels very strongly that NatWest should have accepted the tax documents despite their internal policy. However, this was a legitimate commercial decision, and I can see that a reasonable list of alternative options was provided. I'm also satisfied NatWest would have declined to accept similar documentation from any of their other customers. So, I see no grounds for concluding C's application was handled unfairly.

I've lastly considered the address discrepancy. I appreciate the difference in address is minor, but NatWest require all proof of address documents to be an exact match. I'm also mindful that C would have needed to provide alternative documents in any event, so I don't think NatWest acted unreasonably by mentioning this additional concern.

### **My final decision**

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask C to accept or reject my decision before 21 June 2025.

Claire Greene  
**Ombudsman**