

The complaint

Mr Y complains The Royal Bank of Scotland Plc ("RBS") closed his account and only returned part of the remaining balance. Mr Y is unhappy that a significant sum hasn't been returned to him despite following RBS' instructions.

To put things right, Mr Y wants all the money returned, and compensation for the distress and inconvenience he's suffered.

What happened

The details of this complaint are well known by both parties, so I won't repeat them again here. Instead, I'll focus on giving my reasons for my decision.

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

RBS has explained and prided supporting evidence as to why it reviewed Mr Y's account activity. Having carefully reviewed this, I'm satisfied RBS acted in line with its obligations in doing so.

RBS is entitled to close an account just as a customer may close an account with it. But before RBS 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 RBS and Mr Y had to comply with, say that it could close the account by giving him at least two months' notice. And in certain circumstances it can close an account immediately or with less notice.

RBS closed Mr Y's account effectively with immediate notice given it was less than two months' notice. Having carefully considered the explanation and supporting evidence RBS has given me, I'm satisfied it did so in line with the terms and conditions - and that this was fair.

I know Mr Y would like a detailed explanation, but RBS 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 RBS has provided is information that I consider should be kept confidential.

RBS only returned a small portion of the balance in Mr Y's account at the time it was closed. Mr Y feels strongly that he has proved his entitlement to all of the funds through the

information he provided to RBS. RBS has provided me with an explanation and supporting evidence as to why it sent most of the funds back to the remitting bank. Having weighed this up, I'm satisfied RBS hasn't done anything wrong in returning around £315 to Mr Y - and not the whole balance it was holding.

I understand Mr Y would want to know the information I have weighed to reach this finding. But I am treating this information in confidence, which is a power afforded to me under the Dispute Resolution Rules (DISP), which form part of the Financial Conduct Authority's regulatory handbook.

As I don't think RBS has done anything wrong, I see no basis in which to direct it to return more funds to Mr Y nor to pay any compensation to Mr Y for any distress and inconvenience he's suffered.

My final decision

For the reasons above, I have decided to not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Y to accept or reject my decision before 28 October 2025.

Ketan Nagla
Ombudsman