

## **The complaint**

Mr G complains that National Westminster Bank Public Limited Company ('NatWest') closed his account. He also complains that NatWest reversed a credit he received after disputing a payment, which left his account in an overdrawn balance.

To put things right, Mr G wants his account reopened.

## **What happened**

Mr G held a current account with NatWest. In August 2024, NatWest decided to close Mr G's account, with less than two months' notice.

Prior to this, Mr G requested a chargeback in respect of a payment in May 2024, for £1,049.18. NatWest credited Mr G's account with the funds in June 2024. Mr G thought the payment had been re-debited, leaving his account in an overdrawn balance.

Unhappy with the situation, Mr G complained to NatWest. NatWest sent a final response explaining it could close Mr G's account without giving notice, in some circumstances. And that Mr G's account had been closed in line with the account terms and conditions. It went on to confirm the credit Mr G received in June wasn't re-debited because he won the chargeback, so the overdrawn balance would need to be repaid.

Mr G referred his complaint to our service and explained he wanted his account to be reopened. One of our Investigators looked into Mr G's complaint and upheld it. In summary, they said:

- NatWest had the right to close Mr G's account. But it hadn't provided our service with evidence to support why it closed Mr G's account with less than 60 days' notice because NatWest said it couldn't provide our service with this evidence - so NatWest should pay Mr G £50 compensation
- Mr G had another account at the time with an e-money institution and NatWest's actions wouldn't stop Mr G from opening an account elsewhere
- Having reviewed Mr G's account statements, it showed the disputed amount hadn't been re-debited

NatWest accepted the Investigator's findings. Mr G disagreed and remained unhappy because he wanted the account to be reopened.

As there was no agreement, this complaint was passed to me to decide. I then sent both parties my provisional decision in which I said I was planning not to uphold the complaint.

For ease of reference, here is what I said:

### *Provisional decision*

*"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 am planning on deciding to not uphold this complaint. I'll explain why.*

*A bank can close an account just as a customer may close an account with a bank. But before a bank closes an account, it must do so in a way, that's in line with the terms and conditions of the account.*

*I've asked both NatWest and Mr G for more information. NatWest has since sent more evidence to us in confidence to explain why it decided to close Mr G's account. 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 NatWest has provided is information I think should be kept confidential.*

*Mr G was asked for proof of why some funds entered his account, before it was closed. Having reviewed Mr G's reasons for why he had the funds and what they were for, I'm not convinced by Mr G's version of events. Nor have I been provided with any strong evidence to support Mr G's reasons for why he was sent the funds.*

*Having looked at the information given to me by NatWest, I'm satisfied it could close the account in the way that it did. And I would add that I would've expected NatWest to carry out Customer Due Diligence (CDD) which can generally cover the entire period of its customer relationship and includes establishing the purpose and intended nature of the business relationship. But I don't expect NatWest to reinstate Mr G's account as I don't find it did anything wrong in closing it.*

*Mr G's account statements show he received a credit relating to the chargeback he raised in May 2024. And NatWest didn't remove the funds from his account again after the funds were credited to his account in June 2024. So, Mr G's overdrawn balance is due to payments he made after this point and so he needs to repay the overdraft balance."*

The deadline for both Mr G and NatWest to provide any further evidence and/or arguments has now passed – neither party has responded to my provisional 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. The reasons for doing so are in my provisional decision – as above – to which both parties have offered no further arguments nor evidence for me to consider.

### **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 G to accept or reject my decision before 3 September 2025.

Khadijah Nakhuda  
**Ombudsman**