

The complaint

Mr C and Ms R complained about the service provided by NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY ('NatWest') after they lost online access to their accounts and then learned that NatWest was closing their accounts.

What happened

Mr C and Ms R held two savings accounts and a current account with NatWest whilst living overseas.

NatWest wrote to Mr C and Ms R in February 2025 giving 90 days' notice that their accounts would be closed as the bank no longer wished to offer banking services to long-term overseas residents.

This letter, and subsequent letters sent by post, didn't reach Mr C and Ms R so they were unaware of what was happening when they couldn't any longer access their accounts.

Due to time zone differences, and other demands on Ms R's time, they found communication with NatWest difficult. They felt very anxious about being charged overdraft fees when they couldn't pay money into their account and worried about the potential problems they faced not having a UK bank account if they returned to live in the UK.

When Mr C and Ms R complained to NatWest, it explained that money was credited in May 2025 and NatWest had moved small balances from the savings accounts in June 2025 and written off the balance owing at that point so the accounts could be closed. This meant Mr C and Ms R didn't owe the bank any money – which had been one of their concerns.

Further correspondence followed which led to NatWest apologising to Mr C and Ms R for overlooking another aspect of their complaint. It said the bank had been responsible for some delay and misinformation, but that it hadn't done anything wrong when it decided to close their accounts, remove digital banking or send letters by post. NatWest said it had tried to help sort things out by re-opening their savings accounts and extending the closure date – although they'd need to re-apply for online banking and the activation code would have to be sent by post. NatWest offered to pay Mr C and Ms R £25 as a gesture of goodwill to cover the costs of the international phone calls they made to NatWest.

Mr C and Ms R didn't feel this went far enough to resolve things and brought their complaint to us.

Ultimately, our investigator thought that whilst NatWest had been entitled to close their accounts and it wasn't responsible for post going astray, NatWest should pay Mr C and Ms R £175 to reflect the poor customer service they'd experienced in addition to the £25 gesture of goodwill – a compensation award of £200 in total.

NatWest accepted the investigator's recommendation. Mr C and Ms R disagreed, mainly saying that:

- more rigorous investigation is needed into NatWest's behaviour and attitude towards them, especially bearing in mind they are long-standing customers,
- there's been a lack of transparency and NatWest has used avoidance tactics, and
- NatWest has shown lack of accountability and poor communication throughout.

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.

I've independently reached the same overall conclusions as our investigator. I'll explain why I say this.

I appreciate that Mr C and Ms R feel strongly about NatWest closing their accounts and that they've had a frustrating customer experience and believe they've been treated poorly. I can understand why this feels particularly upsetting given Ms R's life-long relationship with NatWest.

But NatWest was entitled under its terms and conditions to close the accounts in these circumstances (irrespective of how long someone had been a customer) and it provided the required notice. Although the notice letters didn't reach Mr C and Ms R, that was due to postal issues outside NatWest's control. So I don't find that NatWest made any error or that it acted unfairly or unreasonably when it closed Mr C and Ms R's accounts.

When NatWest became aware of their concerns, it took steps to address them. It confirmed that no money was owed, which I think was helpful as this was something Ms R had been worried about. The accounts had been blocked and subsequently closed around the end of May 2025 which removed Mr C and Ms R's online access. When Ms R informed NatWest that the original closure notice wasn't received, the bank arranged to reopen the savings accounts temporarily and extended the closure date as well as offering to provide closing statements, which Ms R had wanted to see. NatWest said it couldn't however reinstate the previous online access and that Ms R would need to re-register as a new customer – for which she'd need an activation code.

It's unfortunate that Mr C and Ms R's overseas postal arrangements are not dependable. NatWest updated the residential address details it held for Mr C and Ms R in an attempt to meet Royal Mail address standards and improve delivery times. And I am satisfied that NatWest wasn't able to offer any secure alternative way for them to receive an activation code to re-open the accounts temporarily and post was the only available option. So I don't think NatWest could reasonably have done more here.

However, NatWest has accepted that aspects of its customer service fell below the standard Mr C and Ms R were entitled to expect, particularly the delay and misinformation provided. She was told incorrectly by NatWest that she could re-register for online banking and to call the bank to have the block removed. But this wasn't possible by then as its systems didn't allow digital banking since Mr C and Ms R's accounts were being closed. So I've thought about the question of fair redress.

My starting point is to think about the impact on Mr C and Ms R of what happened.

I haven't been provided with anything to show that Mr C and Ms R are significantly out of pocket as a result of any poor service on the part of NatWest and I consider the £25 goodwill gesture a fair contribution towards Ms R's call costs.

Fair compensation isn't however just about monetary loss – it also needs to properly reflect the wider impact on Mr C and Ms R of NatWest's service failings.

I don't doubt that NatWest's admitted poor service would've been frustrating and inconvenient for Mr C and Ms R especially bearing in mind the communication issues due to time zone differences and the fact that Ms R had responsibility for Mr C's care needs.

Overall, I think the £200 total compensation award proposed by our investigator is fair and reasonable in all the circumstances to reflect the distress and inconvenience arising from Mr C and Ms R's below par customer experience.

Putting things right

NatWest should pay Mr C and Ms R a total of £200 to reflect the distress and inconvenience caused by its service failings. This includes the £25 previously offered for phone call costs.

Mr C and Ms R should tell NatWest where they would like the payment to be sent. NatWest has said it can send the money to either a UK or an international account.

My final decision

My final decision is that I uphold this complaint and direct NATIONAL WESTMINSTER BANK PUBLIC LIMITED COMPANY to take the steps set out to put things right for Mr C and Ms R.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C and Ms R to accept or reject my decision before 9 March 2026.

Susan Webb
Ombudsman