

complaint

Mr B and Mr R, on behalf of their company ("Company W") complain that National Westminster Bank Plc (NatWest) treated them unfairly by closing Company W's business account.

background

On 11 March 2019, NatWest wrote to the directors of Company W. It said:

"We have recently undertaken a review of your banking arrangements with us and reached the conclusion that we will no longer provide these facilities. You will therefore need to make alternative banking arrangements outside of The Royal Bank of Scotland Group..."

You must repay all unarranged borrowing by 10 May 2019...

All of your banking arrangements, including your accounts will be cancelled and closed on 10 May 2019...

We assure you that we have reached this decision after careful consideration, however our decision is final and we are not prepared to enter into any discussion in relation to it."

Mr B called NatWest to ask why it decided to close the business account and if it would have any impact on his other accounts. The person Mr B spoke to said he couldn't discuss the reasons for the bank's decision and confirmed it was just the business account that the bank had taken the decision to close. Mr B complained that NatWest's decision was unfair.

On 25 March 2019, Mr B called NatWest again. He said *"I've received, me and my partner have received, letters from yourselves shutting all accounts down including business account within 60 days."* The person Mr B spoke to explained NatWest doesn't have to give a reason, but he could appeal the bank's decision to close his account. During this call, NatWest asked for details of the accounts and Mr B said *"I'll just choose one of these ones that are on the letter. I'll give you [another account number]."* Mr B wanted a reason for the account closures, saying NatWest was being unfair – he said that whilst he and Mr R are gamblers, it's above board. NatWest reiterated it's not required to provide a reason for its decision to close their account.

Mr B called the bank later the same day. He checked when the business account was due to close. He said he knew he had 60 days' notice for his personal accounts.

Unhappy with NatWest's response, Mr B and Mr R referred this complaint to our service on behalf of Company W. Mr B and Mr R say NatWest's decision to close this account was discriminatory and may be related to their legitimate gambling.

One of our investigators reviewed this complaint but didn't uphold it. The investigator was satisfied NatWest was entitled to close Company W's account and provided appropriate notice of its intention to close it. Our investigator didn't think there was any evidence of discrimination in NatWest's decision to close Company W's account.

Mr B and Mr R reiterated their concerns about NatWest and asked an ombudsman to review their complaint.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The terms and conditions of Company W's account set out that it can close the account as long as it gives at least 60 days' notice. I'm satisfied NatWest gave the notice required and that Mr B and Mr R received it.

Mr B and Mr R want to know why NatWest decided to close this account and believe its decision is related to their gambling. The terms of their account don't require NatWest to disclose the reason for its decision so I can't say it was obliged to tell Mr B and Mr R why it decided to close Company W's account. On a call to NatWest, I did hear Mr B explain his suspicions about why NatWest decided to close their account, but I don't think NatWest said it decided to close this account because they gamble.

Whilst I appreciate Mr B and Mr R are disappointed with NatWest's decision, I think it was entitled to give – and did give them – 60 days' notice of its intention to close this account.

my final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B and Mr R on behalf of Company W to accept or reject my decision before 15 December 2019.

Victoria Blackwood
ombudsman