complaint

Mr and Mrs R complain that Bank of Scotland plc closed their sterling business account. They also complain it did not respond appropriately to their complaint.

Mr and Mrs R raised concerns about another account with Bank of Scotland which is dealt with as a separate complaint.

background

Mr and Mrs R say Bank of Scotland acted unreasonably in closing their account. They say Bank of Scotland said it was closing the account due to risk. Mr and Mrs R say this is defamatory. They maintain a large balance and manage their business finances carefully. They are worried that closing the account will affect cash flow and put contracts at risk.

The adjudicator did not recommend that the complaint should be upheld. She said Bank of Scotland gave notice it would close the account as required by the terms and conditions. The adjudicator said Bank of Scotland was entitled to make a commercial decision whether to offer banking services and didn't have to give a reason for closing the account. RBS said it hadn't recorded adverse information on Mr and Mrs R's credit files.

The adjudicator said while it was unfortunate Mr and Mrs R didn't receive the letter, RBS had written to them in response to their complaint.

Mr and Mrs R did not agree. They have further concerns about the way in which the account was closed and the effect on their credit rating. The adjudicator said as these issues were raised after the complaint came to us we can't deal with them as part of this complaint. They should first be raised with RBS.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. Where the evidence is incomplete, inconclusive or contradictory, I reach my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in light of the available evidence and the wider circumstances.

Bank of Scotland is entitled to make a commercial decision whether to offer banking services to a customer. It gave notice to close the account in accordance with the terms and conditions. It doesn't have to give a reason. While Mr and Mrs R say Bank of Scotland is acting unfairly, I think it is entitled to close their account and gave the correct notice before doing so.

Mrs R says she was told the account would be closed as they had been assessed as a risk. I understand this was upsetting. Bank of Scotland doesn't have to give a reason for closing the account, so I can't reasonably ask it for more information about its decision. I know Mr and Mrs R are worried about the effect of the account closure on their business, but I can't require Bank of Scotland to re-open the account.

Bank of Scotland says it hasn't recorded adverse information on Mr and Mrs R's files with the credit reference agencies. If Mr and Mrs R continue to be concerned about this, they should raise it with Bank of Scotland.

my final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs R to accept or reject my decision before 15 February 2016.

Ruth Stevenson
ombudsman