

complaint

Mr and Mrs M complain about Clydesdale Bank Plc's (operating as Yorkshire Bank) closure of their current account. Mr M also complains about the closure of his savings account.

background

Mr and Mrs M had a current account with Yorkshire Bank and Mr M also had a savings account.

In 2018 Mr M raised several complaints with Yorkshire Bank about various issues relating to his accounts.

In June 2018 Yorkshire Bank wrote to Mr and Mrs M telling them it was closing their current account in two months' time. Six days later Yorkshire Bank wrote to Mr M stating it would also be closing his savings account.

Mr M was unhappy and came to our service seeking £500 compensation. After speaking with Mr M, we understood his and Mrs M's complaints to be:

1. Yorkshire Bank closed their joint account and didn't explain why.
2. Yorkshire Bank told him during a telephone call it wouldn't be closing his savings account. And he didn't receive the letter giving him notice his savings account would close.
3. Yorkshire Bank failed to pay a direct debit that was due to go out of the joint account during the notice period.
4. Yorkshire Bank cancelled one of the direct debits during the notice period without permission.
5. Mr M's bank card didn't work during the notice period.
6. Mr M was unhappy with the service Yorkshire Bank provided during the notice period. In particular, he asked to be put through to a specific operations manager and Yorkshire Bank refused.

Yorkshire Bank allowed us to look into his complaints directly. Yorkshire Bank told us it closed both accounts in line with the terms and conditions. It said it wouldn't cancel a direct debit without permission and the reason a direct debit failed during the notice period was because there wasn't enough money in the account. Yorkshire Bank wasn't aware of any problems with Mr M's accounts. It also told us there were multiple times when the relationship between Yorkshire Bank and Mr M had broken down. Because of this, its service centre had taken the decision not to engage with Mr M but to pass him to the complaints department.

Our investigator didn't uphold Mr and Mrs M's complaints. They remained unhappy so the matter has been passed to me to decide.

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 there's a dispute about what happened, I've based my decision on the balance of probabilities – in other words, on what I consider is most likely to have happened in light of the evidence.

I'm aware Mr M has raised a number of concerns. But this decision only looks at the issues our service agreed an ombudsman would look into.

bank card issues

Mr M told us his bank card didn't work during his notice period. When I reviewed Yorkshire Bank's call notes, I saw he contacted it a week before his account was closed, about his card not working. The call notes suggest Mr M ended this call whilst Yorkshire Bank were still looking into the problem. The call handler logged that no payments had been declined so, they thought the problem might be caused by damage to the card chip. The call notes said to let Mr M know if he called back.

So, the evidence suggests there was a problem with Mr M's card towards the end of his notice period. But I think it's unlikely this was a problem throughout his notice period as Mr M suggested. This is because I can see evidence of card use on the accounts and I also think he'd have raised it sooner as I can see he was in regular contact.

Given this, I've then thought about what Yorkshire Bank did when it was aware of the card problem. There's no evidence to suggest the card was replaced. But I wouldn't expect Yorkshire Bank to do this without agreeing it with Mr M first. This is because sudden unexpected cancellation of the card could cause difficulties with scheduled payments, for example. And the call notes indicate Mr M ended the call before the matter was dealt with. There's also no evidence Mr M called them back about this issue. So, I don't think it was unreasonable Yorkshire Bank took no further action and I don't think it did anything wrong.

direct debit issues

Mr and Mrs M complained that Yorkshire Bank cancelled one direct debit and failed to pay another. Yorkshire Bank denied this. We asked Mr M for more detail about which payments didn't work but he didn't provide this.

When reviewing the account statements, I noted one failed direct debit and one failed standing order in this time. For both, there wasn't enough money to make the payment. I can see from the account terms and conditions that Mr and Mrs M had a responsibility to make sure there was enough money to cover their payments. So, I don't think Yorkshire Bank did anything wrong here.

I can also see there were two direct debits cancelled within the notice period. Yorkshire Bank has shown us printouts of their computer systems for one of these which shows it didn't cancel this payment. The other direct debit is no longer showing on Yorkshire Bank's computer systems, so I can't see when or how it was cancelled. But Yorkshire Bank told us it didn't cancel this. And Mr M hasn't specified that this was the direct debit he was referring to. For these reasons, I don't think the evidence suggests this payment was cancelled by Yorkshire Bank.

closure of the accounts

I asked Yorkshire Bank for any call recordings made during the notice period but it was unable to locate these. Yorkshire Bank told us it searched for relevant calls using Mr M's known telephone numbers and his unique customer reference number. Yorkshire Bank provided us with screenshots from its computer systems indicating its searches found no results.

Having looked at the account terms and conditions, I can see Yorkshire Bank was able to close the accounts if it chose to, providing it gave Mr and Mrs M two months' notice.

And Mr and Mrs M agreed this notice was given for the joint account closure. So, I think Yorkshire Bank acted reasonably here.

But Mr M said he was told over the telephone that the savings account would remain open, which it did not. And this isn't mentioned in Yorkshire Bank's call notes. So again, I need to decide what's most likely to have happened here.

I've noted there was a delay between the letters Yorkshire Bank sent about the closure of the two accounts. Based on this, I do think it's possible that when Mr M first spoke to Yorkshire Bank about the current account closure, he might have been told the savings account wasn't closing, because it's not clear if this decision had been made yet.

But even if this happened, I can't say Yorkshire Bank did anything wrong here because the information it gave Mr M would have been accurate at that time. And Yorkshire Bank later wrote to Mr M explaining the account was closing.

I'm aware Mr M said he didn't receive the letter Yorkshire Bank sent. But I noted that the letter about the savings account was sent to the same address, in the same way as the letter about the current account, just six days later. So, I think it's more likely Mr M did receive this.

There are also some differences between what Mr M told us and other evidence which mean I find his evidence less persuasive here. For example, Mr M explained that when he knew his current account was shutting, he transferred his direct debits over to his savings account – so when his savings account was closed, this caused him further inconvenience. But there's no evidence Mr M ever transferred his direct debits.

For all of these reasons, I think it's more likely Mr M knew his savings account was closing. So, I also think Yorkshire Bank acted fairly when they closed Mr M's savings account.

I recognise Mr and Mrs M also wanted to know why Yorkshire Bank closed their accounts. And given the impact of this, I can completely understand why they'd want this information. But I wouldn't expect a bank to provide this level of detail for their decisions, as long as I'm satisfied that it didn't act unfairly. Given the evidence I've seen, I don't think Yorkshire Bank acted unfairly. So, I don't think it needs to do anything more here.

customer service

Mr and Mrs M were unhappy with the way Yorkshire Bank treated them during the notice period. Specifically, Mr M said he'd asked to speak to a manager he'd dealt with previously and was refused.

Yorkshire Bank told us that because its relationship with Mr M had broken down, it decided to transfer Mr M to the complaints department when he rang during the notice period.

And whilst Yorkshire Bank was unable to locate the calls with Mr M during the notice period, I've reviewed several complaints Mr M made in the previous months. And I agree that the relationship between them had broken down.

I appreciate that Mr M wanted to speak to a particular person. Given some of the difficulties between Mr M and Yorkshire Bank previously, I can understand why Mr M wanted to speak to someone he felt had listened to his concerns. But Yorkshire Bank is allowed – within reason - to decide how it interacts with customers. So, whilst I appreciate this may have been disappointing for Mr and Mrs M, I can't say Yorkshire Bank acted unfairly here in refusing Mr M's request to speak to a specific person.

And when reviewing the correspondence and call notes, I've also looked more broadly at how the account closure was handled. Taking into account what I've said above, I don't think Yorkshire Bank treated Mr and Mrs M unfairly.

my final decision

For the reasons I've given, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr and Mrs M to accept or reject my decision before 23 April 2020.

Jade Cunningham
ombudsman