

The complaint

Mrs T complained about how National Westminster Bank Plc (“NatWest”) dealt with the closure of her bank accounts.

What happened

Mrs T had a current account and investment account with NatWest for many years, which she originally opened when she lived in the UK. She said she moved abroad several decades ago and kept the accounts open.

NatWest wrote to Mrs T in early April 2022 and told her it had decided to close her accounts and that she would need to move them to another bank within 60 days. NatWest said that any credit balance remaining after the accounts were closed would be transferred to an internal suspense account.

Mrs T said she visited a NatWest branch while in the UK in June 2022 and asked to be provided with statements, as she said she had never been sent these to her home address abroad. She also asked to renew her debit card. Mrs T said she was told by a NatWest adviser that neither could be given to her in branch, so she ordered them and was told they’d be sent to her home address.

NatWest closed Mrs T’s accounts on 24 August 2022.

Mrs T said she tried to register for online banking in December 2022, as she hadn’t received the statements or debit card requested in June 2022. When she wasn’t able to do this, she contacted NatWest by phone in early January 2023. She said she was told at this point that her accounts were closed and that a cheque for the account balance was sent to her home address many months before. Mrs T complained to NatWest.

Mrs T came to the UK in late January 2023 in order to visit a NatWest branch to try and sort this matter out. She said she hadn’t been able to resolve it with NatWest in spite of making a number of phone calls to it. Mrs T said she spent several hours in branch and filled out a fund reclaim form and bank statement request letter. She said she also visited the branch twice more to check on progress before returning home.

NatWest transferred the balance from Mrs T’s accounts to her on 17 February 2023. She was concerned the amount transferred was less than it should have been, and again requested bank statements.

NatWest responded to Mrs T’s complaint on 22 February 2023. It said it had provided six months’ notice of its intention to close the accounts, as it took the commercial decision to no longer offer banking services to consumers residing in certain countries abroad. NatWest said it wasn’t able to provide a copy of the closure letter sent. It also said it originally sent a cheque for the account balances to Mrs T when the accounts were closed. NatWest said the account balance had recently been paid to Mrs T, and this had taken longer than it should have, so it asked Mrs T to let it know if there were any associated expenses as a result.

Mrs T responded to NatWest and said she was not debating the account closure, but she said they should have notified her through the proper channels, and said she did not receive the closure letter. She asked for travel costs of £534, in relation to her trip to the UK in January 2023, to be reimbursed as she thought this trip was necessary to resolve this matter.

NatWest again responded and said it would not reimburse the travel costs as its reclaim process does not require her to visit a NatWest branch and it was her choice to travel. NatWest also said the address it had on file for her was similar but not identical to the one she provided and said this would need to be updated before statements could be issued.

A NatWest adviser contacted Mrs T in mid-March 2023 and told her it had just come to their attention that bank statements couldn't be posted to addresses abroad. So they asked whether Mrs T could provide them with a different address.

Mrs T remained unhappy and so brought her complaint to this Service. She said NatWest hadn't notified her of the account closure in advance and hadn't provided her with evidence that it had. As a resolution to her complaint, she wanted her travel costs to be reimbursed, as she felt she wouldn't have been able to sort this matter out without the visit to the branch. Mrs T also wanted the missing bank statements to ensure the correct amount was transferred to her, and compensation from NatWest for closing her accounts without informing her.

Our Investigator looked into Mrs T's complaint but thought NatWest didn't need to take any further action. Mrs T didn't agree with what our Investigator said, so this came to me for a decision.

I contacted NatWest and asked it for additional information including a copy of the actual closure letter sent to Mrs T - as it had previously just sent a template of what it said was likely sent – and evidence that the letter was posted. I also requested evidence that NatWest had sent a cheque to Mrs T following the account closure, and copies of phone call recordings from December 2022 and January 2023, prior to Mrs T making the decision to travel to the UK to sort this matter out. I also told NatWest that I thought Mrs T's request for statements was reasonable.

NatWest responded and provided a copy of the closure letter it said it sent to Mrs T in April 2022, which was different to the letter template it had previously sent. It also provided a screenshot showing an audit trail, indicating that the letter had been posted. NatWest sent a statement of sorts that showed Mrs T's balance at the time her current account closed. This was forwarded by this Service to Mrs T. However, NatWest was unable to locate any of the requested call recordings or any evidence that it initially sent Mrs T a cheque for the balance of her account.

I issued a provisional decision on 29 February 2024 and said I intended to partially uphold Mrs T's complaint. I gave both parties the opportunity to respond.

NatWest responded and said it had no further information to add.

Mrs T responded and said she agreed with the provisional findings. She also said that she still required copies of her bank statements, and was happy to work with NatWest to find a solution that suits both parties.

I am now in a position to issue a final 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.

Mrs T has raised a number of different points in relation to this complaint, so I've addressed each one in turn.

Notice of account closure

Mrs T told this Service she understands that the terms of her accounts mean that NatWest can close accounts as long as the appropriate notice is given. Her concern is that she said she didn't get the notice of closure letter that NatWest said it sent her, and so it wasn't until many months after her accounts closed that she became aware of the closures. So I've looked at whether NatWest acted in line with the terms of the accounts and provided Mrs T with the correct notice.

When this Service originally contacted NatWest, it said it had given Mrs T 180 days notice of the closure and provided us with a sample letter that it said would likely have been sent to her. When I later requested additional information, NatWest was able to provide a copy of the actual letter it said was sent to Mrs T.

Having looked at this, and the audit trail information, I can see that these indicate that the closure letter was sent in April 2022. Mrs T has confirmed that while the address NatWest had on file for her needed a minor amendment, she was confident any post sent to that address would likely have reached her.

I can also see that NatWest provided Mrs T with 60, and not 180, days' notice of the account closure, which is the amount of notice set out in the account terms. So I'm satisfied that it's more likely than not the correct notice of closure letter was sent to Mrs T.

Mrs T said she didn't receive the closure letter, and I don't doubt this. I think it's clear she would have taken action to move her funds to a different account if she had known in advance about the closure. But my remit is to look at whether NatWest made any errors here in relation to sending the closure letter, and I don't think it has. NatWest isn't responsible for what happens to a letter once it's been posted – it has no control over the postal system – and so for me to consider that it's acted correctly in terms of providing Mrs T with a closure letter, it's enough that it can show this was posted. And, as I said, I'm satisfied it has more likely than not done this.

I know Mrs T has said she thinks NatWest should have attempted to phone or email her, but I think it's enough that the closure letter was posted to her home address.

Mrs T also told this Service that she had visited a NatWest branch while she was in the UK in June 2022, so before her account closed, but after the closure letter was sent. She said she deposited a small sum of money, requested copies of statements and ordered a new debit card. Mrs T thinks NatWest had an opportunity here to inform her of the account closure, but failed to do that.

I can understand how she feels there was a missed opportunity here, but NatWest has said that branch staff wouldn't have known of the impending closure. And I think that in order to know about the closure, it's likely branch staff would have had to delve into Mrs T's account history in a way that wasn't necessary for it to process the deposit she made and deal with the queries she raised. So I don't think NatWest made any errors here when it didn't tell Mrs T in June 2022 that her account was due to close imminently.

Sending the account balance

Mrs T's account was closed in August 2022 and she received the money from the account in February 2023. The notice of closure letter sent to Mrs T says the following in relation to how she would receive the money from her account:

"If you have not made alternative arrangements within 60 days of the date of this letter, any credit balances remaining on your account(s) will be transferred to an internal suspense account awaiting reclaim or a cheque will be sent to a valid statement address."

Mrs T discovered in January 2023 that her account had been closed, and she was told by the NatWest adviser she spoke to that a cheque for the amount remaining in her accounts had been posted to her home address back in August 2022. Mrs T was understandably concerned about this, as she hadn't received a cheque and was worried that it was lost or had fallen into the wrong hands. It wasn't until Mrs T came to the UK at the end of January 2023 that she was told she would, in fact, need to fill out a reclaim form in order to get her money sent to her.

From what I can see, I don't think NatWest actually sent a cheque to Mrs T in August 2022. I say this because NatWest hasn't been able to provide a copy of the letter, with the cheque attached, it originally said it had sent to Mrs T. And when I contacted NatWest, it told me that it would not send a cheque for the amount of money in Mrs T's account, that for security purposes it would only wire the money.

So I think NatWest made an error here when it told Mrs T a cheque had been sent to her home address, when this most likely wasn't the case. And it made an error when Mrs T spoke to NatWest advisers in early January 2023 and wasn't told she needed to complete a reclaim form to get her money back. Mrs T wasn't told until she visited a UK branch of NatWest on 24 January 2023 that the correct process was for her to complete a reclaim form. So I'm satisfied NatWest caused an avoidable delay in returning Mrs T's money to her.

In the absence of call recordings, I am going to assume that Mrs T has correctly recalled that the first time she contacted NatWest by phone, and so the first time it had the opportunity to tell her the correct reclaim process, was 2 January 2023. As I said, the first time Mrs T was told she had to complete a reclaim form, and did so on the same day, was 24 January 2023. So I think it's fair to say NatWest caused a delay of 22 days.

I'm satisfied that a fair outcome here is for NatWest to pay Mrs T interest at 8% simple on the balance of her accounts for the 22 days it caused delays in returning her money to her. I also think NatWest should compensate Mrs T for the distress it caused by incorrectly telling her it had already sent a cheque when this wasn't the case. Mrs T was understandably concerned that the cheque had been lost or had fallen into the wrong hands and remained worried until she attended the UK branch and was told otherwise. I'm satisfied £100 is a fair amount of compensation here.

Non receipt of bank statements

Mrs T told this Service she hadn't received statements for some years prior to her account being closed. When she visited a NatWest branch in June 2022 prior to the closure of her accounts, she was allowed to order statements. She had hoped she could collect these from the branch, but was told they would be sent to her home address abroad.

NatWest has now said it was its policy not to send statements to addresses outside the UK. It wasn't until mid-March 2023 that Mrs T was told the statements couldn't be sent to her

home address and she was asked to provide a different address. Mrs T only received a statement of sorts when this Service forwarded one to her.

So NatWest has twice inconvenienced Mrs T by allowing her to submit requests in branch to have statements sent to her, when this wasn't going to happen. Mrs T said if she had been told in branch, so while she was still in the UK, that statements couldn't be sent abroad, then she might have been able to arrange a different address for statements to be sent to while she was in the UK. But she said she wasn't able to do this when she returned home.

It's clear Mrs T also experienced some distress, as the failure to send her statements to her meant she wasn't able to be certain whether the amount of money sent to her by NatWest in February 2023 was correct. I think that it's fair to ask NatWest to compensate Mrs T £100 for the distress and inconvenience she experienced.

When Mrs T responded to my provisional decision, she mentioned that she still needs NatWest to provide her with copies of her bank statements and she is willing to work with it to see how this might be done, given that the statements can't be sent to her home address abroad. There is nothing more for me to address in relation to the statements in this decision, and steps can be taken separately to resolve this ongoing issue.

Reimbursement of travel costs

Mrs T feels that it was only after she made the trip to the UK that NatWest made the arrangements necessary to have her funds returned to her. So she has requested that the cost of the visit is reimbursed.

I think it's fair to say that the reality of having an account abroad is that it's not possible to simply pop into a branch to sort things out without this being costly. And, broadly speaking, it's not for the bank to fund visits, as it's the consumer's choice to have an account in a country different to the one they live in. So before I could ask NatWest to refund the cost of the January 2023 UK visit to Mrs T, I would have to be satisfied that the information provided to Mrs T by NatWest was such that she felt that there was no way for this matter to be sorted out remotely.

Having considered everything, I'm satisfied it's fair to ask NatWest to pay a proportion – half – of the travel costs incurred by Mrs T. I'll explain why I've decided that this is a fair outcome.

I asked NatWest for copies of the call recordings of the various phone calls made by Mrs T to it in December 2022 and January 2023. This was so that I could get a sense of the service she had been provided with and whether she was justified in thinking that the best way to sort this out was to travel to London. However, NatWest hasn't been able to locate recordings of any of the calls. But I think it's highly likely these calls were made by Mrs T, and I've relied on her account of what was said during these calls.

I'm mindful that it was NatWest's error – in telling Mrs T that a cheque had already been sent to her – that led to her concluding that the cheque was likely lost or had fallen into the wrong hands, and this played a part in prompting her to visit the UK. If NatWest had correctly told her that the money hadn't yet been sent, then I think she would have begun the reclaim process without visiting the UK.

By the time Mrs T became aware her account was closed, she had also not received statements and a debit card that she was told had been ordered for her. So I think it was understandable that her concerns about how the account closure was being handled were heightened by NatWest's earlier failings. And, to her mind, the numerous phone calls she made did nothing to resolve this matter.

Having said that, Mrs T has said that NatWest told her they were looking into this matter as a complaint, and it isn't unreasonable that an investigation into whether anything had gone wrong would take NatWest some time to complete.

In addition, I've already made a finding that I'm satisfied NatWest more than likely sent the closure letter to Mrs T and that it's not responsible for Mrs T not receiving this. So although it's clear that she wasn't aware in January 2023 that her account had been closed, NatWest did all it could to let her know that it was. So NatWest isn't responsible for any concerns Mrs T had in January 2023, that might also have informed her decision to travel to the UK, in relation to only just finding out her account had been closed.

So it's because I can see why some of the failings by NatWest made Mrs T feel a visit was necessary, but can also see that NatWest needed time to complete an investigation into Mrs T's complaint that I think a fair outcome here is for NatWest to reimburse half of the travel costs incurred by Mrs T.

Putting things right

In summary, I require NatWest to pay the following to Mrs T:

- 8% simple interest on the account balances for a period of 22 days, as outlined above.
- A total of £200 compensation for distress and inconvenience.
- 50% of the cost of the trip to the UK in January 2024, subject to Mrs T being able to provide the relevant receipts.

My final decision

It's my final decision that I require National Westminster Bank Plc to carry out the actions outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 2 April 2024.

Martina Ryan
Ombudsman