

Closure of Farage's bank account 'predominantly a commercial decision'

An independent review into the closure of Nigel Farage's Coutts account and the discussion of his banking with a journalist by the head of the bank has found "a number of shortcomings" in the closure process.

But law firm Travers Smith, which was commissioned by the board of NatWest to conduct the review, said [the closure](#) of [Mr Farage](#)'s account, "was predominantly a commercial decision".

"Coutts considered its relationship with Mr Farage to be commercially unviable because it was significantly lossmaking," the review found.

In response to the key findings of the report, NatWest chairman Sir Howard Davies, said "a number of serious failings" were set out in the treatment of Mr Farage.

Shortcomings were also found in how the bank, which owns Coutts, communicated with the former UKIP and Brexit Party leader and how it treated his confidential information, according to the review.

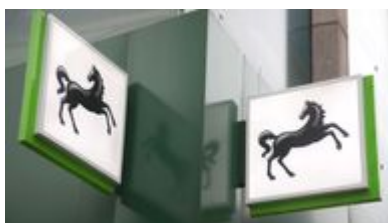
The Financial Conduct Authority (FCA) said potential "regulatory breaches and a number of areas for improvement" were identified.

These include NatWest's processes on how it considers potential account closures and customer complaints as well as the effectiveness of governance mechanisms.

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NatWest's share price fell to 173p on Friday – its lowest in more than two years. This came despite just published results showing £1.33bn in profit over the three months ending in September, 23% higher than at the same point a year before.

The share price fall, from 205.2p on Thursday evening, was the biggest fall since the 2016 Brexit vote.

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Former chief executive Dame Alison Rose left the [state-backed](#) lender after she admitted making a [“serious error of judgment”](#) by speaking to a journalist about Farage’s banking at Coutts.



Image:
Dame Alison Rose

After the news piece was published Mr Farage released the findings of a subject access request, which suggested the move was taken partly because his views [did not align with the firm’s “values”](#).

Key findings by Travers Smith are:

- The decision to close the account was lawful and was made in accordance with bank policies and processes.
- Dame Alison Rose played no part in the decision to close the account.
- Other factors were considered in the decision-making process: Coutts thought there could be reputational harm from Mr Farage holding an account, though these factors did not

drive the decision.

- Mr Farage's stated beliefs were not a determining factor in closing the account but those beliefs did support the decision.
- The way Mr Farage was informed of the closure of his account did not accord with the bank's policies and processes, in particular when it came to giving reasons to customers involved in "non-financial crime exits". No adequate reasons were given.

In response, Mr Farage said: "The report's authors claim it was "predominantly a commercial decision" to close my accounts but, crucially, they also noted that evidence given to them by witnesses in relation to this episode was not entirely consistent.

"Travers Smith has taken a very mealy-mouthed approach to this complex issue. The law firm argues that my political views "not aligning with those of the bank" was not in itself a political decision. This is laughable."

"Worse still, Travers Smith did not find "any evidence" that my "pro-Brexit stance were factors in the exit decision". The word Brexit appeared no less than 86 times in my subject access request.

"The letters that were sent to me confirming the closures of my accounts without explanation were sent on a paper headed template usually reserved for those suspected of fraud."

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The Information Commissioner's Office (ICO) earlier this week said there were [two privacy breaches](#) involved in Dame Alison's disclosure to BBC News business editor Simon Jack.

A broader FCA review of banks closing accounts on the basis of customers' political opinion found [no evidence](#) of the practice.

However, only closures between July 2022 and June 2023 were considered and more work to verify the data supplied by banks was needed as was examination as to why and when they close accounts due to reputational risk.

'Minimal'

"Both Travers Smith and the Information Commissioner's Office (ICO) have concluded that I inadvertently confirmed what had already been widely reported, that Mr Farage held an account at Coutts," Dame Alison said on Friday morning.

"The ICO also concluded the 'impact around this specific disclosure was minimal'."

"Travers Smith is clear that "there was no leak of specific detailed financial information". Travers Smith also confirmed I knew nothing about the comments made by Coutts staff about Mr Farage, which were deeply unpleasant and unfair."