

## **The complaint**

Mr B complains that The Co-operative Bank Plc unfairly blocked and closed his accounts. He's also unhappy about the service the bank provided him, and he wants compensation for the trouble and upset he suffered.

## **What happened**

Mr B had two accounts with the Co-op – a current and savings account.

In November 2022, during a telephone call about Mr B's account, the Co-op became concerned that the person they were speaking to wasn't Mr B. So, it withdrew Mr B's telephone banking and asked Mr B to go into branch to verify his ID.

Following this the Co-op decided to review Mr B's accounts. Whilst it completed its review the bank blocked Mr B's accounts. This meant Mr B couldn't access the money held in his accounts. Mr B discovered that his account was blocked when he was unable to use his bank card. Mr B contacted the bank to find out how long its review would take to complete. But bank wouldn't tell him much over the phone and told him if he visited a branch with ID, he'd be given more information. Mr B went to a branch on 23 November 2022 but was told by staff that they couldn't help him. Following, this the Co-op decided to close Mr B's accounts immediately.

Mr B complained to the Co-op about blocking and closing his accounts. He asked the bank to explain why it had blocked and closed his accounts. He also said he'd wasted time and effort travelling to a branch to be given no information. In response, the Co-op said it hadn't done anything wrong when it had blocked, reviewed, and then closed Mr B's accounts. And said it had acted in line with the terms and conditions of the Mr B's account. However, it accepted that it should have provided better service to Mr B when it told him to go to a branch. It agreed that Mr B had a wasted journey, which at the time wasn't needed, and offered Mr B £75 compensation for the trouble and upset this had caused him.

Mr B said this didn't go far enough. He wants to know why the bank closed his accounts. He also said he was left out of pocket because he couldn't access his money and the whole situation was very stressful and made his health condition worse. So, he wants more compensation.

Mr B brought his complaint to our service where one of our investigator's looked into what had happened. After reviewing all the information, the investigator didn't uphold Mr B's complaint. He thought the bank had acted fairly blocking and closing his accounts. And had done enough to put things right. Mr B disagreed. He wants to know why the Co-op no longer wanted him as a customer and more compensation.

As no agreement could be reached the matter has come to me to decide.

## **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.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from banks as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information The Co-op has provided is information that we considered should be kept confidential. This means I haven't been able to share a lot of detail with Mr B, but I'd like to reassure him that I have considered everything.

I'll deal first with the bank's decision to block and review Mr B's accounts. The Co-op have important legal and regulatory obligations they must meet when providing accounts to customers. Those obligations are ongoing and don't only apply to when an account is opened. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime.

Having looked at all the evidence, I'm satisfied that the Co-op acted in accordance with these obligations when it blocked and reviewed Mr B's accounts. It was also entitled to do so under the account terms and conditions. So, I can't say Co-op treated Mr C unfairly when it decided to block and review his accounts.

I understand that Mr B wants the Co-op to explain the reason it applied the block to his accounts. He's also unhappy that the bank gave him no warnings about what it was doing. But the Co-op doesn't disclose to its customers what triggers a review of their accounts. And it's under no obligation to tell Mr B the reasons behind the account block, as much as he'd like to know. So, I can't say it's done anything wrong by not giving Mr B this information. And it wouldn't be appropriate for me to require it to do so or for me to disclose the reasons.

Mr B has said the bank took too long to review his account and release his funds. He's pointed out that he had to borrow money and that it was close to Christmas. So, this made things tough for him financially. I've looked at the timeline and can see that the bank didn't cause any unnecessary delays and were trying to complete its enquiries as quickly as possible. I appreciate that the Co-op's actions caused Mr B real inconvenience and upset. It wouldn't, however, be appropriate to make an award for compensation for that since I don't believe that the bank acted inappropriately in taking the actions that it did.

I've next gone on to consider whether the bank acted fairly when it closed Mr B's accounts. Mr B has pointed out that the closure of his accounts has caused him a lot of problems and stress. But it's generally for banks to decide whether or not they want to provide, or to continue to provide, banking facilities to any particular customer. Unless there's a very good reason to do so, this service won't usually say that a bank must keep customer or require it to compensate a customer who has had their account closed.

The bank relied on the terms and conditions of Mr B's accounts in closing his accounts. The terms and conditions outline that the bank can close a customer's account with two months' notice, and in certain circumstances they can close an account immediately. In this case the bank closed Mr B's account immediately. For the bank to act fairly here they needed to meet the criteria to apply their terms for immediate closure – and having looked at these terms and all the evidence, I'm satisfied that the bank did. So, it was entitled to close the accounts as it's already done.

Finally, Co-op has accepted it should have provided Mr B with better service and offered him £75 compensation for any trouble and upset he was caused when he travelled to branch. The bank accepts that this was a wasted trip and that it shouldn't have told Mr B to visit a branch in order to find out more information about what was happening with his accounts.

I'm satisfied that this is fair and reasonable way to resolve to resolve this aspect of Mr B's complaint. So, I won't be directing the Co-op to do anything more.

In summary, it's clearly caused Mr B inconvenience when he wasn't able to use his accounts. And took the time to travel to a branch, which at the time wasn't necessary. So understandably he's upset. I also appreciate it must have been a worrying and frustrating time for him not being able to access his funds. So, I realise he will be disappointed by my decision. But having looked at all the evidence and circumstances of this complaint, I'm satisfied that the Co-op have done enough to put things right and I won't be asking them to do anything more to resolve Mr B's complaint.

### **My final decision**

For the reasons I've explained, my final decision is that I do not uphold this complaint. That's because I'm satisfied that The Co-operative Bank Plc has done enough to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 26 October 2023.

Sharon Kerrison  
**Ombudsman**