

## **The complaint**

Mr P complains The Co-operative Bank plc (Co-op) unfairly returned a cheque he had issued on his bank account even though he had contacted them that day to discuss the matter.

## **What happened**

Mr P says he issued a cheque on 6 March 2023 for £25,000 drawn on his Co-op bank account as an investment to another provider. Mr P says he received a telephone message on the 7 March 2023 asking him to contact Co-op by 1pm. Mr P says he telephoned Co-op but experienced difficulties getting through to speak to someone, but this was before the 1pm deadline Co-op had given.

Mr P says he provided the details asked of him during that call only to discover the following day the cheque had been returned unpaid, initially because he hadn't called the Co-op and then that his call was received too late.

Mr P says he never received any written correspondence from Co-op advising him the cheque had been returned or the reason why. Mr P says he can't understand why this cheque was singled out as a possible scam, as similar cheques had been issued in the past without any problems. Mr P wants Co-op to apologise for its error and explain to him why it returned his cheque unpaid in the first place.

Co-op says it left a telephone message for Mr P to contact them by 1pm on the morning of the 7 March 2023. Co-op says its records show Mr P contacted them at 12.52pm and by the time the agent had dealt with the call it had already taken the decision to return the cheque unpaid at 12.55 pm, due to concerns over a possible scam and to protect Mr P's position.

Co-op says it was unfortunate Mr P had left it so close to the deadline to make the call, but it had acted in line with its processes and procedures. The Co-op felt the agent could have perhaps acted more quickly when dealing with Mr P's initial call and offered him £50 by way of apology.

Mr P wasn't happy with Co-op's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator felt Co-op acted reasonably when it decided it needed further checks completed before paying the cheque for £25,000 that Mr P had issued - as part of its fraud/scam checks. The investigator says Mr P called Co-op on 7 March 2023, and it was unfortunate that was only a few minutes before its deadline of 1pm and because of the time it took Mr P to finally get through, Co-op had taken the decision to return the cheque.

The investigator felt Co-op had acted in line with its own processes and its offer of £50 due to the phone call wait times Mr P experienced was a reasonable level of redress in the circumstances.

Mr P didn't agree with the investigator's view and asked for the matter to be referred to an

ombudsman for 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.

Having done so, I won't be upholding this complaint and I will explain how I have come to my decision.

I understand it would have been upsetting for Mr P to discover a cheque he had issued was returned unpaid even though he had called Co-op to discuss matters in the timelines offered.

When looking at this complaint I will consider if Co-op acted reasonably when it took the decision to return the cheque Mr P had issued for £25,000, as a security precaution.

Mr P's complaint centres around the fact Co-op decided to return a cheque he had issued for £25,000 as it felt he may have potentially been a victim of a scam, even though he'd telephoned them before the deadline of 1pm to discuss this. Mr P says he can't understand why this particular cheque had been singled out for this type of security check and Co-op had never explained this to him.

I understand the points Mr P makes here and while I have some sympathy with his situation, it's not for me to tell Co-op on what occasions it should or shouldn't carry out further enquiries to ensure payments presented on its customers bank accounts aren't subject to a potential scam or fraud. It's fair to say over recent years banks like Co-op have faced a large increase in the number of scams committed on its customer's accounts, so it's not unreasonable that when cheques are presented for payment, especially for larger sums it may take a more vigilant approach from time to time – after all this is done to protect its customers.

On this occasion from the information I have seen, Co-op telephoned Mr P on both his landline and mobile phone in the morning the cheque was presented and asked that he contact them before its cut off time of 1pm. Unfortunately, Mr P has explained he was out that morning and didn't pick up the message until later and as a result only managed to get through to the department he needed to speak to a few minutes before the cut off time.

It's fair to say, unfortunately here the fact Mr P wasn't able to pick up the calls to his landline or mobile for whatever reason, leaving only minutes before Co-op had to make a decision whether to pay the cheque or not, was also a contributory factor to why the cheque was returned that day.

What has become clear is that during the time Mr P was on the phone, unbeknown to the call handler another department had taken the decision with only minutes left to the deadline, to return the cheque. Without trying to minimise the frustration this would have undoubtedly caused Mr P here I am satisfied given the closeness to the deadline, Co-op made a reasonable decision to return the cheque to protect Mr P's bank account.

Co-op have provided this service with details of its process in these circumstances, and here it wouldn't look to issue a letter to explain its decision to return a cheque, rather it would make initial telephone contact asking the customer to call them – which it did here. So, I'm satisfied Co-op acted in line with its process that day and it's not my role to tell Co-op it must change that process. I can see the presenting bank wrote to Mr P advising the cheque had been returned the same day and it was explained to him by Co-op in a telephone call on 9 March 2023 what had happened, I understand a replacement cheque was issued by Mr P.

Although Mr P was concerned he may have suffered reputational damage as a result, there's no evidence to suggest that is the case here and in any event I can't say Co-op were at fault for taking the decision it did that day, for the reasons I have already explained.

I understand Co-op have accepted it could have dealt with the phone call waiting times more effectively and offered Mr P £50 by way of apology which I feel is fair in the circumstances and I will leave it with him to contact Co-op if he now wishes to take up that offer.

While Mr P will be disappointed with my decision, I won't be asking anymore of Co-op.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 25 December 2023.

Barry White  
**Ombudsman**