

The complaint

Mr F complains J.P. Morgan Europe Limited, trading as Chase, blocked and withheld funds in his accounts. Mr F says Chase's actions have caused him a lot of distress and inconvenience given his serious health conditions

What happened

The details of this complaint are well known by both parties, so I won't repeat them again here in detail. Instead, I'll focus on setting out some of the key facts and on giving my reasons for my decision.

In August 2023, Chase blocked Mr F's two accounts – one of which was a savings account. Chase asked Mr F to provide it with evidence to show his entitlement to two payments into his account. Mr F provided some information, but Chase wasn't satisfied with this and asked for more. Mr F provided some more information. The accounts remained restricted.

Unhappy with Chase's actions, Mr F complained. Chase didn't uphold Mr F's complaint. In summary, the key points it made were:

- Chase can review an account and block it whilst doing so. This is within the terms and conditions of the account

- If Mr F has any funds in his account relating to benefits received, Chase can consider sending these to another of his accounts

Mr F referred his complaint to this service. In February 2024, Chase told Mr F it was closing his accounts and his funds were returned to him.

Our Investigator reviewed Mr F's complaint, and they upheld it in part. Their key, and most up to date findings are:

- Chase reviewed Mr F's accounts following its obligations
- Chase's request for proof of entitlement information from Mr F was reasonable and following its obligations. Mr F hasn't sufficiently shown to both Chase and this service that he was entitled to the funds he'd been asked about
- Mr F's bank statements don't show he received any government benefits, nor has he shown the funds in his account came from benefits paid into another of his external accounts. So it's reasonable no funds were released to Mr F whilst the review was in place
- Having reviewed Chase's timeline of actions, it didn't carry out its review in a timely manner. Chase could have released the funds to Mr F in October 2023. So Mr F should be compensated for this
- Chase was entitled to close Mr F's accounts in the way it did, and it doesn't need to provide an explanation

- To put things right, Chase should pay Mr F the interest rate on the account from 30 October 2023 up until settlement. And it should pay Mr F £150 compensation

As Chase didn't agree with what our Investigator said, this complaint was passed to me to decide. I then sent both parties my provisional decision in which I said I was planning on not upholding this complaint. For ease of reference, here is what I said:

Provisional decision

"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'm planning on not upholding this complaint. I'll explain why.

Banks in the UK, like Chase, are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They are also required to carry out ongoing monitoring of an existing business relationship. That sometimes means Chase needs to restrict, or in some cases go as far as closing, customers' accounts.

Chase has explained and provided information as to why it reviewed and restricted Mr F's accounts. Having carefully considered this, I'm satisfied Chase acted within its obligations.

Chase is entitled to close an account just as a customer may close an account with it. But before Chase closes an account, it must do so in a way, which complies with

the terms and conditions of the account.

The terms and conditions of the account, which Chase and Mr F had to comply with, say that it could close the account by giving him at least two months' notice. And in certain circumstances it can close an account immediately or with less notice.

Chase closed Mr F's account with immediate notice. Having looked at its reasons for doing so, I'm satisfied it acted within the terms of the accounts. I can understand why Mr F would like a detailed explanation for Chase's actions, but there is no obligation for Chase to do so.

As I'm satisfied Chase hasn't done anything wrong in restricting and closing Mr F's accounts, I see no basis to award any compensation for the distress and inconvenience he says this caused him.

I do however agree Chase could have acted in a much timelier manner given the evidence it provided about what it was doing between blocking and releasing the funds to Mr F. But given the legitimate concerns Chase had, and the lack of evidence Mr F has provided both to it and this service, I'm persuaded it wouldn't be appropriate to award any compensation for the period Mr F was deprived of funds due to avoidable delays.

Mr F hasn't provided any evidence to either Chase or this service to show the funds withheld in his accounts were from benefits. The account statements also don't reflect this. So, based on the information available, I'm satisfied Chase didn't do anything wrong in releasing any funds to Mr F during the time the accounts were being reviewed"

The deadline I imposed for both parties to submit further arguments and evidence as now passed. Mr F hasn't responded, and Chase said they agreed with what I was planning on deciding.

I will now decide this complaint.

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.

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For the reasons in my provisional decision – as referenced above - I have decided not to uphold this complaint.

My final decision

I have decided not to uphold this complaint for the reasons above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 28 July 2024.

Ketan Nagla
Ombudsman