

The complaint

Mr C complains about how J.P. Morgan Europe Limited T/A Chase blocked and closed his bank account following a name change request.

What happened

Mr C held a bank account with Chase. On 29 November 2023, he contacted Chase to explain that he'd recently married and to request a name change.

Chase asked Mr C to provide a copy of his marriage certificate. But it said he shared an unenrolled deed poll. Chase informed Mr C it would raise his request to change his name. It didn't explain what additional documentation would be required to action the name change.

On 7 December 2023, Chase messaged Mr C via the in-app messaging service to inform him that an enrolled deed poll was required. It also provided him with a list of alternative documents he could provide in support of his name change request. Chase says Mr C didn't respond to this message.

Chase stated that it messaged Mr C again on 19 December 2023 in the same way it had 12 days earlier. It said he didn't respond to the message it sent.

On 2 January 2024, Chase messaged Mr C again informing him that it would contact him by telephone later that day. Mr C responded to this message by explaining that he had a marriage certificate but he and his spouse were changing their name to another surname.

Chase informed Mr C that it would need to see a document showing the same surname as the name he wanted to change his account to. So, Mr C informed Chase he'd wait for his driving licence to arrive in his new surname and provide that in support of his name change application.

The same day, Chase said it sent Mr C a letter informing him that it required documentation in support of his name change application within 10 working days. It followed this correspondence up with a further letter referring to the same deadline.

Chase said Mr C didn't respond to either letter. So, it wrote to him on 31 January 2024 explaining that if it didn't receive the required documentation to verify his surname it would temporarily restrict his account. The letter went on to explain that if Chase didn't hear from Mr C within 40 days it would close his account for compliance and security reasons.

Mr C telephoned Chase on 31 January 2024; he was anxious that his account might be blocked. During that call, Mr C was informed that his account wouldn't be subject to a restriction because he'd contacted Chase.

However, on 14 February 2024 Chase contacted Mr C again stating it required documentations in support of his name change and that failure to provide these documents within a specified timeframe would result in restrictions being placed on his account. Mr C

informed Chase that he was still awaiting his updated driving licence and would provide this once received.

On 15 February 2024, Chase suspended Mr C's account and, as it didn't hear from him afterwards, it sent him a letter on 16 March 2024 informing him that his account would be closed. His account was closed two days later.

Mr C contacted Chase on 18 March 2024 to complain about what had happened. He wanted Chase to reinstate his account, apologise for its errors and pay compensation for the distress and inconvenience he'd experienced.

Chase accepted it had incorrectly closed Mr C's account and recognised that it hadn't properly dealt with his request to change his surname. Chase apologised to Mr C and offered to compensate him in the sum of £75. It said Mr C accepted this compensation on the understanding that his account would be reopened and reinstated.

However, on 7 April 2024, Mr C asked Chase to reopen his complaint because he'd found out he'd have to open a new account. After reinvestigating Mr C's concerns Chase offered to pay him an additional £25 in compensation to reflect the fact that it could have provided clearer information about how to reinstate the account. It also offered to pay Mr C £42.14 as redress for potential cashback that he'd missed out on earning while the account was restricted and closed and £7.86 for the interest he'd lost out on.

Chase thought the £150 total it had offered to pay Mr C was a fair and reasonable resolution to his complaints. But he disagreed and referred his concerns to our service.

After our investigator weighed up the information provided they didn't recommend upholding this complaint. They thought Chase had dealt with Mr C's complaint fairly and were persuaded that the compensation it had offered to resolve matters was fair and reasonable. Mr C disagreed. So, I've been asked to decide on how this complaint should be resolved.

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'd like to thank Mr C for his detailed submissions about this complaint. I want to assure him that I've read and considered everything that both he and Chase have sent when reaching my decision. I haven't referred to all the points Mr C has raised as I've focused on what I feel are the key issues of the case. I hope Mr C won't take that as a discourtesy, my approach reflects the informal nature of our service.

I'm sorry to hear about the difficulties Mr C experienced here. I'm sure he's suffered upset and inconvenience as a result of what happened and for that I'm sorry. But my role is to assess whether I think Chase made a mistake, or treated Mr C unfairly, such that it needs to now put things right.

Mr C experienced problems with his account after he reported a change of name to Chase following his recent marriage. A change of name isn't an infrequent request for a bank to deal with and I'm sure Mr C didn't anticipate that he'd experience the problems he did.

Chase asked Mr C to provide his marriage certificate in support of his name change request. However, as Mr C was intending to change his surname to a surname that was different to his spouse's, providing the marriage certificate here wouldn't have helped. Mr C shared his deed poll with Chase. But it wasn't an enrolled deed poll and I'm satisfied there were valid

reasons why Chase couldn't accept an unenrolled deed poll. So, the document Mr C provided didn't enable his request to be actioned by Chase.

I can see that Chase informed Mr C on multiple occasions of the documents it would accept in support of a name change application. I'm satisfied this information was provided clearly and promptly to Mr C to assist him in progressing his name change request.

I've also seen evidence that Mr C explained on repeated occasions that he was waiting for his updated driving licence to be sent to him with his new surname and that, once received, he'd share this with Chase.

I've seen evidence that, on occasions, Mr C didn't respond to messages he was sent by Chase about his name change application. So, I can understand why Chase continued to write to him to explain that it may need to take action to temporarily restrict his account while it was awaiting satisfactory name change documentation.

Mr C responded to correspondence that was shared with him on 31 January 2024. During his call with Chase on that date I'm satisfied that he was reassured that his account wouldn't be subject to a restriction. I can therefore understand why Mr C was surprised that his account was blocked 14 days later.

It isn't clear why Mr C's account was blocked – particularly when contact was made with him on that date the same day to ask him to submit the required name change documentation. I'm satisfied, based on the available evidence, that Mr C informed Chase at that time that he was still waiting for his updated driving licence to arrive showing his new surname and would provide this once received. So, Chase was aware that Mr C was still unable to provide the required documentation. And I'm not persuaded that it was fair and reasonable of Chase to block Mr C's account in such circumstances.

I'm also not satisfied it was fair and reasonable for Chase to close Mr C's account on 18 March 2024. I recognise that Chase wrote to Mr C two days before it took such action. But I'm not persuaded this would have given him adequate notice to contact Chase and update it on the status of his driving licence name change as this was the only document he was able to provide in support of his name change application.

Closing an account can cause significant trouble and upset and I've taken into account how Mr C said he was impacted. While the account was blocked and closed, Mr C wasn't able to access his funds, use his account or earn cashback or interest. He'd also have to open a new account, which would all have been inconvenient and distressing.

I'm pleased to see that Chase has acknowledged it made an error in closing Mr C's account. It also recognised its error in informing him that it would reopen and reinstate his account. Chase has apologised for these errors and offered £100 in compensation for the trouble and upset this would have caused Mr C.

I understand he feels Chase should pay more compensation for the trouble and upset he was caused. And I understand he's had a very frustrating experience. However, we're all inconvenienced at times in our day-to-day lives – and a certain level of frustration and minor annoyance is unwelcome, but to be expected. It's the impact of the errors made over and above that which we consider to determine if an award of compensation is merited, and if so, how much.

I can see that Mr C's request to change his name and what happened afterwards leading to the closure of his account was a stressful and protracted process. And I understand this complaint has been on-going for some time. But complaints are by their nature time

consuming, and it doesn't always follow that a complaint being found in a consumer's favour means additional compensation is due.

Chase offered to pay Mr C £42.14 as redress for potential cashback that he'd missed out on earning while the account was closed. I've carefully thought about whether this puts Mr C back in the position he'd have been in had his account not been restricted and closed. I've had sight of bank statements provided by Chase. I can see that he had earned £21.07 since opening his account in August 2023 until March 2024 when his account was closed.

If similar account usage had continued, had the account not been closed, I'm satisfied that the offer Chase made is fair and reasonable. I say this because the amount that Mr C would have likely earned had his account remained open and unrestricted is less than the sum offered by Chase. This satisfies me that I don't need to direct that Chase increase that offer.

Chase also agreed to pay Mr C £7.86 for the missed interest while the account was blocked and the 5% interest bonus he missed out on due to what happened. I can see that our investigator has calculated the interest and bonus to check whether Chase's offer here is fair and reasonable. Having done so, they're persuaded the amount that Mr C would have likely earned had his account remained open and unrestricted is less than the sum offered by Chase. This satisfies me that I don't need to direct that Chase increase that offer.

To put things right here, Chase has apologised for what happened and it's offered to pay Mr C a total of £150 compensation. I've explained that £50 of that amount is for cashback and interest that wasn't earned while the account was blocked and closed. I'm persuaded that this places Mr C back in the position he'd have been in had his account remained open.

I'm satisfied that the remaining £100, which Chase has offered to pay in recognition of the error it made in closing Mr C's account, and the fact that he'll have to now apply for a new account, is a fair and reasonable outcome to this complaint. It's in line with awards made by this service in comparable circumstances. I haven't seen enough evidence to persuade me that a higher award is warranted here. And, while Mr C may disagree with me, I'm satisfied that this fairly recognises the impact that the closure of his account would have had on him.

I acknowledge that Mr C wants Chase to reopen the account it closed. But it can't do this as once an account is closed it can't be reopened. It isn't unusual for a customer to have to open a new account in such circumstances.

Mr C is unhappy that he'll have to apply for an account as a new customer, which will incur credit searches, involve him having to satisfy eligibility criteria and additional inconvenience. I can see our investigator has asked Chase if that's all necessary here. But Chase has explained that because Mr C's closed account has been archived his details have been deleted and a new customer application is required.

Chase has advised that a new account application will take around five minutes to complete. Its offered to contact Mr C to assist him with a new customer application. I'm sorry to disappoint Mr C but I think this is fair and reasonable and I can't ask Chase to reopen his closed account as he'd like.

I understand that Chase still holds the funds from Mr C's account in its suspense account. It isn't able to return these funds to Mr C because he hasn't provided it with his bank details or opened a new account. I would urge Mr C to contact Chase with the information it requires to facilitate the return of his money.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 2 October 2024.

Julie Mitchell
Ombudsman