

The complaint

Mr H is unhappy with The Co-operative Bank UK Plc's ("Co-op") conduct when requesting information regarding his account.

What happened

On 7 March 2024 Co-op carried out a review of Mr H's account. It wrote to him to ask him for some further information relating to deposits into his account. Mr H didn't want to provide this information and asked Co-op to close his account.

Co-op initially stated it wouldn't be able to do this but wrote to him on 8 March 2024 to confirm the account would be closed.

Mr H complained to Co-op. He was unhappy information had been requested and that the account wasn't closed when he asked. He also said he spent a long time on the phone to Co-op while he was trying to discuss the matter and the call was cut off.

Co-op responded. It said it was entitled to carry out a review of the account, but it offered him £50 to acknowledge the poor service he received over the phone.

Mr H was unhappy with Co-op's response and brought the complaint to our service. Our investigator looked into things but ultimately didn't feel Co-op had acted unfairly. Mr H didn't accept this so the complaint has been passed to me to make a 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.

I'll start by setting out some context for Co-op's review of Mr H's accounts. Banks and financial businesses have important legal and regulatory obligations they must meet when providing accounts to customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime. It's common industry practice for businesses to restrict access to an account to conduct a review on a customer and/or the activity on an account.

The terms of the account also permit Co-op to block an account. This means it is entitled to block and review an account at any time. Banks and financial businesses are also entitled to end their business relationship with a customer, as long as this is done fairly, doesn't breach law or regulations and is in keeping with the terms and conditions.

As part of carrying out a review of Mr H's account Co-op wrote to Mr H and asked him for further information relating to the credits to his account and he refused to provide this. He's said this is because Co-op already had this information, and he couldn't provide more than it already had – his statements showing the money came from accounts he held with other banks.

But as a starting point I think it's helpful for me to explain that Co-op is entitled to make its own decision about how it operates its business. And this includes decisions about what information it might need from its customers in order to ensure it complies with its obligations. So, it would be for Co-op to decide what information it requires rather than Mr H.

And I don't think it's unreasonable that Co-op didn't believe it had enough information from Mr H in this case. The statements for his Co-op account simply showed the transactions being questioned came from other accounts in Mr H's name. This didn't tell Co-op anything about how the money came to Mr H. And whilst he's stated that he doesn't understand what more evidence he could provide, I haven't seen any reason it ought to have been difficult for Mr H to explain how and why the funds were paid to other accounts in his name.

Mr H has also said that Co-op wasn't specific about the information he should provide, but I don't agree. Its email of 7 March 2024 asked Mr H about his employment and where it talks about the source of specific funds it asked him to provide receipts, invoices and statements to support where they came from. I'd also add that it isn't for Co-op to explain in detail how Mr H can explain where the money came from. Again, I haven't seen any reason it ought to have been difficult for Mr H to explain this or for him to offer evidence. But if Mr H was unsure of what sort of evidence would be acceptable, I'm satisfied he reasonably could've asked Co-op more about this. Instead he refused to answer any questions and requested the account was closed.

Mr H has specifically mentioned his dissatisfaction that Co-op asked him about an application he'd made several months before its review. Co-op doesn't have to disclose the reasons for the account review or the reasons it asked certain questions as part of this review. As I've explained, I'm satisfied Co-op has taken reasonable steps in reviewing Mr H's account and I'm also satisfied the questions it asked him were reasonable in the circumstances. As I've said above, it's ultimately up to Co-op to decide its own policies and procedures to ensure it meets its obligations.

But in any event Mr H refused to respond to any of the questions asked. So I haven't seen anything to persuade me that any particular question has been to his detriment. Ultimately, when Co-op made a reasonable request for information regarding his account, Mr H immediately requested its closure. And whilst he does have the right to do this, in response Co-op is entitled to proceed on the basis that he hasn't satisfied its requirements.

Mr H has raised concerns that Co-op wouldn't close his account when he requested. This is because it wouldn't do this while a review is underway. I can see that Co-op concluded its review quickly – within a day – and closed Mr H's account when it became clear he wasn't going to provide the information it had requested. Overall, I think this is reasonable.

Co-op can only close accounts immediately in certain circumstances and if it's in the terms and conditions of the account. Co-op has relied on the terms and conditions when closing Mr H's account and, it has provided supporting evidence to show why the terms and conditions it's relied on are applicable in this case. Having reviewed this information, I'm satisfied it has acted fairly in closing his accounts.

Co-op is under no obligation to tell Mr H the reasons for closing his account. So, whilst I can't disclose more information about this to Mr H I hope I can provide assurance that his account wasn't closed for an improper reason.

Mr H has said that it isn't clear to him why the account has been closed – whether it's because he requested it or because Co-op closed his account without notice. The letter it sent him on 8 March 2024 states: *"We have closed your account... We've done this because*

your recent transactions are not in line with our terms of service". I think based on this Co-op has been clear in setting out that it had made the decision to close Mr H's account.

Whilst I understand Mr H has said he was told it would be sending a letter to 'correct' this and state Mr H had requested the closure, I don't agree it needs to do this. I'm satisfied in this case Co-op was acting reasonably in closing his account without notice based on the evidence provided.

But, I'd also add that fundamentally, Mr H wanted his account to be closed and it was closed the day after he requested this. I haven't seen anything to persuade me it has made any material difference to Mr H whether it was Co-op or Mr H that ultimately decided on the closure. Especially given it appears Mr H moved the money out of the account as soon as the information was requested by Co-op, so the immediate closure had no impact on his access to his money.

Mr H has also complained about the customer service he received. And it doesn't appear to be in dispute that the customer service provided over the phone on 7 March 2024 was insufficient. Mr H has explained he had difficulty passing the security process to access his accounts and it seems some of the problems he experienced were related to this. But Co-op has agreed it wasn't clear about how he could regain access to his accounts due to a new system. And it can see calls were disconnected when they attempted to pass him to different departments.

I've listened to the available calls between Mr H and Co-op. And it appears, based on what Mr H has said, much of his time speaking to Co-op was around his unhappiness that he'd been asked for information he didn't feel he should need to provide. And again, whilst he does have the right to question this, it was ultimately his choice to spend time debating this with Co-op. As I've outlined, I'm satisfied its requests were reasonable and it was entitled to make them.

But as I've said, it isn't in dispute that the customer service provided to Mr H wasn't sufficient. And I'm happy to proceed on the bases that the time Mr H spent discussing things with Co-op was necessary and unavoidable. Accepting everything he's said about the customer service he received, I think £50 is sufficient compensation for the inconvenience caused.

My final decision

The Co-operative Bank UK Plc has already made an offer to pay £50 to settle the complaint and I think this offer is fair in all the circumstances. My decision is that The Co-operative Bank UK Plc should pay Mr H £50 if it hasn't already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 23 October 2024.

Faye Brownhill
Ombudsman