

The complaint

Mr M complains that J.P. Morgan Europe Limited trading as Chase unfairly blocked and closed his account without providing a proper explanation. He is also unhappy about the amount of time taken for Chase to release money in his account back to him.

What happened

The detailed background of this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Mr M had a personal current account with Chase.

In June 2023, Chase reviewed Mr M's account. Whilst it completed its review Chase restricted Mr M's account. This meant Mr M wasn't able to access any money in the account. Once it had completed its review Chase decided to close Mr M's account and released his closing balance.

Mr M complained to Chase. He said not being able to access the money in his account was making things very difficult for him. He said Chase hadn't explained why it was reviewing his account and hadn't given him a timeframe about when things would be completed. In response, Chase said it hadn't done anything wrong and had acted in line with its legal and regulatory obligations and the terms of the account.

Unhappy with this response Mr M brought his complaint to our service where one of our investigator's looked into what had happened. She said Chase had blocked Mr M's account fairly. And had done so to comply with its legal and regulatory obligations. But she wasn't happy with how long it took Chase to release Mr M's closing balance. To put things right the investigator said that Chase should pay Mr M 8% interest on his balance from 30 June 2023 until 16 September 2023.

In response, Chase provided some more information and disagreed with the investigator's view. In summary, it said it had been complying with its legal and regulatory obligations when it had blocked and reviewed Mr M's account. And said it hadn't caused any delays in releasing his funds.

As no agreement could be reached the matter came to me to decide. After reviewing all of the evidence I issued a provisional decision which said the following:

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 Chase 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 M, but I'd like to reassure him that I have considered everything.

Chase has important legal and regulatory obligations it 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. To comply with its responsibilities Chase will monitor accounts and carry out specific or occasional checks, which is common industry practice, and is what Chase did here.

Chase isn't obliged to reveal the reason(s) for reviewing Mr M's account. But I've considered the basis for the review, which I find was legitimate and in line with its legal and regulatory obligations. Chase also isn't obliged to provide notice of any review. So, whilst I appreciate Mr M was caused inconvenience, I can't say Chase have done anything wrong when it reviewed and blocked his account.

I understand of course why Mr M wants to know the exact reasons behind Chase's decision, other than what he's been previously told. And I can see that Mr M has asked Chase to explain itself on several occasions. But Chase doesn't disclose to its customers what triggers a review of their accounts. And it's under no obligation to tell Mr M the reasons behind the account review of his account, as much as he'd like to know. So, I can't say it's done anything wrong by not giving Mr M this information. And it wouldn't be appropriate for me to require it to do so.

Mr M has said that Chase took far too long to complete its review of his account. I've looked at the information Chase provided about what it was doing as part of its review. Having done so I'm not satisfied that Chase has provided sufficient evidence to show it couldn't have completed its review earlier. But it doesn't follow that I must award Mr M compensation in these circumstances. Instead, I have to consider all the circumstances and information surrounding Mr M's complaint to decide whether I think awarding compensation would be a fair and reasonable outcome.

After considering the content of Chase's review, I don't find awarding Mr M compensation would be fair or appropriate. I understand Mr M would naturally want to know the information I have weighted in order to reach this finding. But as I've set out already, I am treating this information in confidence, which is a power afforded to me under the Dispute Resolution Rules (DISP), which form part of the Financial Conduct Authority's regulatory handbook.

Accordingly, I have accepted information in confidence which I am not disclosing to Mr M. And the description of that information is that it's of a nature which justifies Chase's review, and which has led me to decide that awarding Mr M compensation would not be a fair or appropriate outcome for any of the matters he has brought as part of this complaint.

So, I'm not requiring Chase to compensate Mr M for any trouble and upset he may have experienced as a result of a potential delay in Chase carrying out its review, and the further dissatisfaction he experienced which ultimately flowed from not having access to the funds in his account, including his unhappiness with Chase's communication and the information it didn't provide him.

In summary, I realise Mr M will be disappointed by my decision, but I won't be telling Chase to do anything to resolve Mr M's complaint.

Neither party responded to my provisional decision.

Now both sides have had an opportunity to comment I can go ahead and issue my 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.

As neither party has provided anything new for me to consider, I see no reason to depart from my provisional findings. I remain of the view that this complaint should not be upheld for the reasons set out in my provisional decision, which are repeated above and form part of this decision.

My final decision

For the reasons I've explained, 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 M to accept or reject my decision before 30 September 2024.

Sharon Kerrison
Ombudsman