

## **The complaint**

Mr L complains that Clydesdale Bank Plc blocked his account access.

## **What happened**

Mr L says he tried to make a payment to a business for repairs to his piano in November 2020. He says Clydesdale blocked the payment and so he contacted it. Mr L says he was told the block would be removed but was then told he would be sent a letter by second class post which would allow the block to be removed. He says he spent hours on the telephone trying to sort matters out and was caused distress as well as embarrassment as he couldn't pay the bill of just over £14,000. Mr L says the invoice was paid on 16 November 2020 by his husband and says he has had the same telephone number for over 20 years which would have allowed Clydesdale to send a message to unlock the account as it originally said.

Clydesdale says it blocked the payment on 11 November 2020 due to security concerns but accepts it told Mr L that the payment would be authorised when he called which was incorrect. It says it required further checks due to the telephone number details it held and so required the letter to be sent. Clydesdale has apologised for that part of the complaint and paid £100 compensation. It says it is entitled to block a payment where it has security concerns.

Mr L brought his complaint to us and our investigator initially didn't uphold the complaint but asked Clydesdale for further information about the telephone number issue. The investigator re-considered his view and thought that Mr L wasn't responsible for what took place about the number. He recommended Clydesdale pay £350 compensation but thought it was entitled to restrict account use.

Clydesdale doesn't accept that view and say there was a week delay in making the payment which doesn't justify £350 compensation and says it wouldn't be obvious to its fraud department that it held the correct telephone number for Mr L.

Mr L doesn't accept that view and maintains he should be paid £1,000 compensation.

## **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 have come to the overall view that I uphold this complaint but consider the investigator's compensation recommendation is fair and reasonable.

There is no need for me to comment on large parts of this complaint as they are not in dispute. I hope Mr L appreciates that we are not Clydesdale's regulator and so it's not our role to punish it or direct it to change the way it runs its business. And about how it makes such security decisions.

Banks and building societies must have security measures in place to protect its and its customers money. I accept that on occasions legitimate transactions can be made subject to such security measures as here which inevitably means some inconvenience to genuine customers of a business. But that doesn't mean that a business has made a mistake by applying any fraud measures to a transaction or an account. And I'm satisfied such steps are taken in line with agreed account terms and conditions.

There is no question here that Mr L was attempting to make a genuine transaction for just over £14,000. I appreciate Mr L's frustration that the payment was blocked. And that through no fault of his that Clydesdale was not able to send him a message to his telephone to unlock his account despite initially being told his account would be unblocked. So I accept that Mr L was caused inconvenience and would have been caused embarrassment in not being able to pay the invoice. I also accept Mr L made a number of calls to Clydesdale and there doesn't appear to be any real explanation from it about what the issue was with its records about Mr L's telephone number. I appreciate Clydesdale says it wouldn't be obvious to its fraud department that it held the correct telephone number. But I am not sure what that means or what Mr L could have done differently. I can't fairly hold Mr L responsible for whatever took place with that telephone number recording and it's clear that if it was recorded correctly that the block could have been removed immediately.

The only real issue for me to consider is the level of compensation. I have made clear that I accept Mr L was caused distress, inconvenience and embarrassment. But I also have to consider that I think Clydesdale was entitled to place the account block. I'm satisfied that Mr L was able to pay the invoice within about five days of the block and that block itself was removed shortly afterwards. I have not seen evidence of any financial loss and consider that an overall compensation award of £350 is fair and reasonable and fairly reflects the impact what took place on Mr L. I don't think £1,000 compensation is justified here or is line with the type and amount of awards we would make for this type of issue.

It is not our role to comment on the use of second-class post in these circumstances by Clydesdale. But I appreciate what Mr L says about that decision, in the light of the fact that his account was blocked, and he needed that letter to unblock it. I can see that Clydesdale says it will look at that issue in future.

### **Putting things right**

Clydesdale should pay Mr L a total of £350 compensation. It is not clear if it has paid the £100 compensation already, but I make clear that if it has then the award should be adjusted.

### **My final decision**

My final decision is that I uphold this complaint and order Clydesdale Bank Plc to pay Mr L a total of £350 compensation. Mr L's acceptance of this decision would be in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 27 August 2022.

David Singh  
**Ombudsman**