

The complaint

Mr H complains that The Co-operative Bank Plc restricted access to his account. He'd like the account unrestricted and compensation for the impact on him.

What happened

Mr H has an account with the Co-op. He's represented by Ms W.

Mr H is unhappy that the Co-op restricted access to his account. The bank had concerns about the spending which was taking place on Mr H's account. Mr H's account was initially restricted on 6 June 2019, on 15 July 2019 the police were contacted when Mr H and Ms W attempted to withdraw £40,000. Mr H's account remains restricted, and the Co-op have been liaising with both the police and social services, along with other third parties, to determine if Mr H's account can be unblocked.

Both the Co-op and Mr H have accepted that further checks are required before his account is unrestricted - however payments can be made to existing payees and those where payments are evidenced with additional paperwork.

On reviewing their handling of Mr H's account the Co-op thought they'd caused some unnecessary delays up to February 2020. The bank felt they could have progressed things more quickly, and paid Mr H £200 compensation for the inconvenience caused.

One of our investigator's looked into Mr H's complaint, and thought that the Co-op acted fairly in restricting Mr H's access to his account. But felt that the Co-op could have done more in keeping Mr H updated and contacting the police and social services.

Our investigator recommended that the Co-op pay Mr H an additional £500 in compensation. Mr H accepted the £500 direction made by our investigator, however the Co-op didn't agree with our investigator's recommendation.

In summary they said:

- The bank didn't agree that there were significant delays in them contacting social services and the police
- As soon as they had concerns the bank contacted both social services and the police
- They'd struggled to get updates from the police
- They couldn't update Mr H because he didn't have contact details

On reviewing their conclusions, our investigator thought that as the Co-op had already paid £200 in compensation, a total of £300 in addition was fair. And for the Co-op to ensure Mr H and Ms W were kept informed of the status of Mr H's account.

As the Co-op didn't agree with our investigator's view it's been passed to me to decide.

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.

Our investigator's written an extensive view including a detailed timeline of events which has been shared with both parties. So it isn't necessary for me to repeat this.

Mr H and his representative have accepted that the Co-op are entitled to review Mr H's account. So, I won't be considering whether the Co-op have acted fairly in restricting Mr H's access to his account – instead I'll solely be looking at whether the Co-op could have done more here to keep Mr H informed, and to assist in unrestricting Mr H's account sooner. I'll consider if the bank could have reviewed the account more quickly, this includes asking for appropriate information from the customer and any third parties to alleviate their concerns.

I'm aware that the Co-op feel they've done what is expected of them considering Mr H's vulnerability. As I've explained I'm not questioning the Co-op's decision to place restrictions on Mr H's account – I completely understand in the circumstances why this action was taken. But, I'm afraid I can't agree that the Co-op did everything I'd expect it to when attempting to determine if Mr H – a vulnerable customer - should have access to his account.

The Co-op have already compensated Mr H £200 for delays which took place prior to February 2020. So, I've instead considered the bank's actions from this point on, and whether I think there were any *avoidable* delays. The Co-op have explained that they struggled to obtain updates from the police – but looking at the timeline I've been provided with by the bank, I can't see that this was the case. Instead I see long gaps in attempts made by the Co-op to receive updates. For example in February 2020 the Co-op explained they were waiting for updates from the police before being able to unrestrict Mr H's account. But, the bank didn't make any attempts to contact the police until 12 August 2020 – and after this contact there was a further three month gap. Considering the importance of the information the police had, and the vulnerability of Mr H, I'd have expected the Co-op to make more significant attempts to liaise with the police.

I've also considered the level of contact that the Co-op had with Social Services. But, based on the information provided by the bank it appears that Social Services contacted the Co-op for the first time in December 2020, and there's no indication that the Co-op had attempted to contact them before this point.

I've also considered the level of updates Mr H and Ms W were provided with. I understand that the Co-op had concerns in updating Ms W – however I would have expected updates to Ms W considering the lack of contact details the Co-op had for Mr H, and the fact that Ms W had authority for Mr H's affairs. Even if the Co-op didn't want to provide Ms W with updates, I think the bank could have written letters to Mr H on a more frequent basis to provide him with information on the status of his account - and what needed to be provided to enable access to be given.

For the reasons I've outlined above I think that the Co-op acted fairly in restricting his account, but should have done more to liaise with relevant third parties and update Mr H.

Putting things right

I think because of the Co-op's actions Mr H was caused some additional distress, and I'm satisfied that he should be compensated an additional £300.

My final decision

My final decision is I direct the Co-operative Bank Plc to:

- Pay Mr H £300 in compensation
- Provide regular updates to Ms W and Mr H on the status of Mr H's account restriction. And anything Mr H needs to provide to help his account to be unrestricted.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 28 April 2022.

Jeff Burch
Ombudsman