

## **The complaint**

Ms H complains that J.P. Morgan Europe Limited trading as Chase ('Chase') blocked her account and took too long to give her back her funds.

## **What happened**

On or around 8 January 2024 Chase blocked Ms H's account. That meant she couldn't access the funds in the account. The account held nearly £600.

On 13 January Ms H complained to Chase. Chase replied to Ms H's complaint on 21 January 2024. It said it hadn't acted unfairly by blocking the account.

On 15 March 2024 Chase told Ms H it had decided to close her account. Her money was returned to her on 19 March 2024.

Ms H referred her complaint to this service on 15 February 2024. As well as the block itself Ms H asked this service to consider whether it was fair and reasonable for Chase to have taken as long as it did to give her access to the funds it had blocked.

One of our investigators looked into Ms H's complaint. He said he thought the complaint should be upheld because – although Chase had a valid reason to block the account – it took too long to unblock it. The investigator said the initial process was done in a reasonable timeframe, but the evidence provided by Chase showed no good reason why the funds weren't returned to Ms H sooner than 19 March 2024. And Chase hadn't offered a convincing argument for the delay.

The investigator couldn't share information that Chase had provided in confidence, but he thought the information showed Chase was in a position to return Ms H's funds to her no later than 26 January 2024. He didn't think a delay of nearly two months was reasonable. Nor did he think it was reasonable for Chase to say simply that the delay was due to workload.

The investigator recommended Chase put things right for Ms H by paying Ms H interest on the funds in her account for the period Chase delayed restoring Ms H's access to the funds. He took into account that Ms H said this wasn't her main bank account.

Chase didn't accept the investigator's view. It said it shouldn't have to pay compensation because its actions were fair. Chase provided some further information but the investigator didn't change his view.

Because no agreement could be reached the complaint was passed to me to review afresh and 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.

Having done so, I'm upholding the complaint. I'll explain why.

I first want to set out that our rules allow this service 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 for our investigation of Ms H's complaint is information we consider should be kept confidential. This means there's some detail I won't share with Ms H. But I'd like to reassure her I've considered everything.

The information I've accepted in confidence from Chase is of a nature that shows Chase had fair reasons for reviewing Ms H's account and denying her access to her funds while it did so. Banks are under strict legal and regulatory obligations. They must follow those obligations without unduly inconveniencing their customers. And I'm satisfied Chase was fairly pursuing its legal and regulatory obligations when it decided to review Ms H's account.

However, the evidence I've seen doesn't show that Chase needed to take as long as it did to resolve its concerns over Ms H's account. I do appreciate that Chase has provided further information to help this service to understand its position on this point. But the evidence simply doesn't show that it was fair and reasonable for Chase to take as long as it did on this occasion.

In the absence of evidence to the contrary, I agree with our investigator that Chase's records show it could've resolved its concerns by 26 January 2024. And there's no basis to say it was fair for Chase to take until 19 March 2024 to return Ms H's funds.

Because the account in question wasn't Ms H's only account I don't think this shortcoming by Chase has caused her any particular financial losses or any particular distress and inconvenience. But the fact remains Ms H was unfairly denied the use of her funds for a time and she should be compensated for that.

### **Putting things right**

To put things right for Ms H, J.P. Morgan Europe Limited trading as Chase must pay her 8% simple interest on the balance it withheld for the period between 26 January and 19 March 2024.

If J.P. Morgan Europe Limited trading as Chase considers it's required by HM Revenue & Customs to deduct tax from that interest, it should tell Ms H how much it's taken off. And it should give her a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

### **My final decision**

For the reasons I've set out above, my final decision is that I'm upholding this complaint. J.P. Morgan Europe Limited trading as Chase must calculate and pay the compensation set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 12 November 2024.

Lucinda Puls  
**Ombudsman**