DRN-5313250

The complaint

Miss W complains The Co-operative Bank Plc closed her account and delayed releasing her money.

What happened

Miss W held several accounts with The Co-operative Bank. In October 2023, Miss W's accounts were blocked while The Co-operative Bank carried out a review. They asked her for information relating to account transactions and Miss W responded. The Co-operative Bank wasn't satisfied with the information and explanation Miss W provided, so the accounts remained blocked.

In December 2023, an Account Freezing Order was issued against Miss W. This order compelled Miss W's accounts to be frozen for 12 months. In March 2024, the Account Freezing Order was discharged. The Co-operative Bank then made the decision to close Miss W's account and sent her communication to explain this. The accounts were closed, and the money within them returned to Miss W in April 2024.

Miss W wasn't happy with The Co-operative Bank's decision to close her account, and felt they took too long to return her money; so, she complained. The Co-operative Bank reviewed Miss W's complaint but their decision to close the accounts remained. They did, however, offer Miss W £75 compensation for some customer service issues relating to call waiting times.

Miss W referred her complaint to our service. The investigator reviewed things and thought The Co-operative Bank were entitled to close the account, and didn't think they'd caused any delays in releasing the money. So, he didn't ask them to do anything.

Miss W remained unhappy. She felt The Co-operative Bank's actions were unfair and unnecessary.

As no agreement could be reached the matter has come 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.

Having done so, I won't be asking The Co-operative Bank to do anything differently. I know this will disappoint Miss W, so I've explained my reasons below.

The Co-operative Bank has important legal and regulatory obligations they must meet when providing accounts to customers. And they must take certain actions to meet their legal and regulatory obligations. These obligations can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime. They're also required to carry out ongoing monitoring of new and existing relationships. That sometimes means The Co-operative Bank will need to restrict customer's accounts – like they did with

Miss W's – while they carry out their review.

The Co-operative Bank initially suspended Miss W's accounts in October 2023 and asked for information relating to some transactions. Having looked at the circumstances of this complaint, I'm satisfied The Co-operative Bank acted in line with the terms of Miss W's accounts when they suspended them.

In addition to their regulatory obligations, The Co-operative Bank must also comply with any order of a court. While The Co-operative Bank were completing their review of Miss W's accounts, they received an Account Freezing Order which compelled Miss W's funds to be frozen for 12 months. Once this order was issued, The Co-operative Bank had a duty to act on it and therefore it was wholly appropriate for Miss W's accounts, and the money in them, to remain inaccessible.

In March 2024, The Account Freezing Order was discharged. The Co-operative Bank decided to end their relationship with Miss W at this point. They sent a notice to close letter, confirming Miss W's accounts would be closed immediately. It took around nine working days from The Co-operative Bank receiving the discharge notice to closing Miss W's accounts and releasing the money which was held within them. I consider this to be a reasonable timeframe and can't fairly conclude that The Co-operative Bank could have taken any action sooner than they did.

I recognise Miss W's strong sense of feeling about what's happened. She feels she shouldn't have been made to wait for her money, especially when claims against her were unfounded. But The Co-operative Bank were merely complying with the Account Freezing Order, and therefore they weren't permitted to release the money sooner than they did.

In summary I am satisfied that The Co-operative Bank has not acted inappropriately or incorrectly. It therefore follows that I won't be asking The Co-operative Bank to do anything differently.

My final decision

For the reasons I've explained, my final decision is that I do not uphold Miss W's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 1 October 2025.

Hayley West
Ombudsman