

The complaint

D, a company, complains that ClearBank Limited asked unnecessarily intrusive questions about its business activities and finances, and that it passed confidential financial information to one of its clients.

ClearBank Limited operates in this case under its Tide brand. D is represented by one of its directors, whom I'll refer to as Mr M.

What happened

In February 2025 Tide contacted D, asking about the nature of its business and seeking evidence which would explain certain transactions on its account. Mr M thought that the questions asked were unnecessary, although he did provide the information requested to Tide's complaints team. He also said that Tide had contacted one of D's customers.

Tide reviewed the information which D had provided and confirmed to Mr M that its review was complete. Whilst it had said that, if the necessary information was not provided, it might have to restrict D's account, in the event that did not happen, and the account remained operational at all times.

Mr M complained on behalf of D about what had happened. Tide said that it had acted in line with its regulatory requirements, including "... *establishing the source and intended use of funds and the nature of transactions...*" It did however acknowledge that some requests for information had been repeated and that there were delays in the process. It offered D £100 in recognition of that.

Mr M referred the matter to this service, where one of our investigators considered what had happened. He did not recommend that the complaint be upheld and said that, in his view, Tide's offer was fair and reasonable.

Mr M did not accept the investigator's view and asked that an ombudsman review the case.

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, however, I have come to the same overall conclusion as the investigator did. Some of the evidence I have considered is confidential in nature, so I have not shared it with D, as our rules allow.

It is correct that banks and other financial institutions have certain legal and regulatory obligations, including obligations to understand the nature of their commercial customers' businesses and finances. Because of that, they may on occasions need to seek further information about the business in general, or individual transactions, or both. In the circumstances, I think it was reasonable of Tide to seek the information it asked for. I note that the account conditions specifically made provision for Tide to seek such information.

Mr M says that Tide shared D's commercial information with one of its customers. Banks do of course owe a contractual duty of confidentiality to their customers, as well as being subject to legal restrictions about the sharing of data. In this case, however, I have seen no evidence that Tide contacted D's customers (or any of them), either directly or indirectly. Mr M has not provided any. Rather, a customer's bank contacted Tide about a payment it was making, and Tide confirmed it could go ahead.

I do note however that Tide accepts that there were some administrative failings in its processes – specifically, delays and repetition of requests – but I agree that £100 is fair compensation. Mr M has said that Tide has not paid the money it offered, but that is because D has not accepted the offer. I will make a formal award in that sum, however, so that, if D does accept my final decision, that award can be enforced if necessary.

My final decision

For these reasons, my final decision is that, to resolve D's complaint in full, ClearBank Limited should pay if £100.

Under the rules of the Financial Ombudsman Service, I'm required to ask D to accept or reject my decision before 2 February 2026.

Mike Ingram

Ombudsman