

### **The complaint**

A company that I will refer to as C, complains that ClearBank Limited trading as Tide blocked and closed its account. C is also unhappy that Tide has failed to release money that was paid into the account.

Mr T, a director of, brings the complaint on behalf of C.

### **What happened**

C had a business current account with Tide.

In April 2025, Tide decided to review C's account to comply with its legal and regulatory obligations. Tide blocked the account whilst it completed the review. As part of the review Tide reached out to Mr T to ask him to provide information about payments that had been made into C's account.

Following this on 16 April 2025 Tide decided to close Cs account immediately and asked Mr T to provide them with an account so that they could release C's account balance back to Mr T.

Unfortunately, at the time Tide asked Mr T for information, Mr T was in hospital and was unable to respond to Tide's request until May 2025 – after Tide had closed C's account.

After discovering C's account had been closed Mr T contacted Tide to find out what was happening. But Tide wouldn't give Mr T much information and said it had closed C's account in line with the terms and conditions.

Mr T complained to Tide. He said Tide had treated him unfairly by blocking C's account without notice and then closing it without giving him an opportunity to explain the activity on the account. He said at the time he'd been in hospital and clients had raised fraudulent disputes against him and his company. Mr T also said that Tide had completely left him in the dark about what was happening with the funds in C's account for months, which caused him financial hardship and stress.

In response, Tide said that it had reviewed and closed C's account to comply with its legal and regulatory obligations. And it was still completing administrative processes so that C's balance could be released. Tide accepted that at times during the review period its communication could have been better and apologised to Mr T.

Mr T remained unhappy and asked us to investigate his complaint. He said the block, and closure of C's account and lack of access to his funds caused him a lot of problems. He wants Tide to provide a proper explanation and to give him back the money in C's account. And pay him compensation.

After looking at all the information the investigator said that Tide hadn't treated C unfairly when it had blocked and closed its account. The investigator also said that Tide hadn't done

anything wrong in not returning C's balance after Mr T complained. Based on the information Tide had shared with us in confidence they didn't recommend Tide should do anything further to resolve C's complaint.

The investigator also told Mr T that he'd need to raise a new complaint with Tide about C's funds continuing to be withheld by Tide, which Mr T did in November 2025.

Mr T asked for his complaint to be reviewed by an ombudsman. So 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.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from financial businesses as confidential for a number of reasons – for example, if it contains information about other customers, security information or commercially sensitive information. It's then for me to decide whether it's fair to rely on evidence that only one party has seen. It's not a one-sided rule; either party to a complaint can submit evidence in confidence if they wish to, and we'll then decide if it's fair to rely on it. Here, the information is sensitive and on balance I don't believe it should be disclosed. But it's also clearly material to the issue of whether Tide has treated C fairly. So, I'm persuaded I should take it into account when deciding the outcome of the complaint.

I'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No courtesy is intended by me in taking this approach. Instead, I've focused on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. But I have read all Mr T's submissions.

Firstly, I'd like to make clear that this service isn't a regulatory body or Court of law and doesn't operate as such. This means that it isn't within my remit to decide whether Tide have acted in a non-regulatory way or unlawful way. Our service is an informal alternative to the courts. And I can't make a finding as to whether the law has been broken, and I don't need to in order to decide this complaint.

I believe it's also important to explain that it's not the role of this service to supervise, regulate or impose fines on any business. It's also not our role to ask a business to alter its procedures or enforce changes to policies. That's the role of the regulator, The Financial Conduct Authority. My remit here is to decide whether I think Tide acted fairly and reasonably when applying those policies and procedures in the individual circumstances of C's complaint.

I want to make it clear that I understand why what happened concerned Mr T. I've no doubt it would've come as quite a shock to him, and he would've been very worried to find out that C's account had been blocked. And he couldn't access the funds in C's account. But as the investigator has already explained, Tide has extensive legal and regulatory responsibilities they must meet when providing account services to customers. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime.

I've considered the basis for Tide's review, which includes looking at the information Tide has provided to our service in confidence, and having done so I find this was legitimate and in line with its legal and regulatory obligations. So, I'm satisfied Tide acted fairly by blocking C's account. I appreciate that Mr T wants to know more about why Tide did what it did. But Tide isn't obliged to tell Mr T why it blocked and reviewed C's account, and I don't believe it would be appropriate for me to require it to do so as much as he'd like to know.

The terms and conditions of C's account also make provision for Tide to review and suspend an account. And having looked at all the evidence, I'm satisfied that Tide have acted in line with these when it suspended C's account. So, although I understand not having access to his business account caused Mr T inconvenience it wouldn't be appropriate for me to award C compensation since I don't believe Tide acted inappropriately in taking the actions that it did when it blocked C's account.

Mr C says when Tide blocked C's account and asked him for information when he was in hospital. I agree that the timing of Tide's review was unfortunate. Mr T was out of action in a hospital bed. But whilst I have sympathy for Mr T it's not in my remit to tell Tide what type of account review they should be conducting or when they should conduct account reviews.

The result of the review was that Tide decided they didn't want to provide financial facilities to C anymore. Tide wrote to Mr T in April 2025 that it had decided to close C's account immediately.

It's generally for banks and financial businesses to decide whether or not they want to provide, or to continue to provide, account facilities to any particular customer. Unless there's a very good reason to do so, this service won't usually say that a bank or financial business must keep customer or require it to compensate a customer who has had their account closed.

As long as banks and financial businesses reach their decisions fairly, it doesn't breach law or regulations and is in keeping with the terms and conditions of the account, then this service won't usually intervene. They shouldn't decline to continue to provide account services without proper reason, for instance of unfair bias or unlawful discrimination. And they must treat new and existing customers fairly.

Tide have relied on the terms and conditions when closing C's account. I've reviewed the terms, and they explain that Tide can close the account without notice. For Tide to act fairly here they needed to meet the criteria to apply their terms for immediate closure – and having looked at these terms and all the evidence that Tide has provided, including the information Tide has provided to this service in confidence, I'm satisfied that Tide did. And that it was entitled to close the account as it's already done. So, I can't conclude that Tide treated C unfairly when it closed its account.

The crux of C's complaint is that Mr T wants the money paid into C's account, released. Mr T has said that this is money C is owed from legitimate business contracts with several customers. And Tide is wrong to keep withholding the funds.

As I've set out above I am only looking at Tide's actions up to the point of its response to Mr T's complaint. Tide's actions in not releasing C's funds beyond this point is the subject of a separate complaint. So, I will make no further comment on this here.

Tide told Mr T that it had to complete administrative processes to comply with its legal and regulatory obligations before it was in position to release any money to C. Having looked at the information provided by Tide, and what Mr T has said about the funds, I don't think that is

unreasonable. I am also satisfied that Tide haven't caused any unnecessary delays in completing the processes it needs to do before releasing any money back to C. So, I won't be asking Tide to do anything more to resolve this aspect of C's complaint.

Mr T has said that Tide didn't communicate well with him and that he was essentially kept in the dark about what was happening with C's money. He wants compensation for the trouble and upset he's suffered because of not being kept informed. Tide has accepted that there were delays and lapses in its communication with Mr T. To put things right it has apologised. Mr T says this isn't enough.

I've looked at the contact between Tide and Mr T. Having done so I'm not satisfied that Tide provided the service Mr T could have expected during its review of C's account. I say this because I can see that Mr T sent several messages chasing Tide for an update and asking for a timeline of how long Tide's review would take to complete. But Tide didn't give Mr T a clear answer. Instead, it told him to wait repeatedly. This meant Mr T had to take time to send further messages, which would have been time consuming and more likely than not frustrating for Mr T. I think this could have been avoided if Tide had responded to Mr T in a more meaningful way. So, I'm not satisfied that Tide has treated Mr T fairly. I note too that Tide has accepted its service fell short. But it doesn't follow that I must award Mr T compensation in these circumstances. Instead, I have to consider all the circumstances and information surrounding Mr T's complaint to decide whether I think awarding compensation would be a fair and reasonable outcome.

After considering what Mr T has said and the content of Tide's review, which includes the information Tide has provided to our service in confidence, I don't find awarding C compensation would be fair or appropriate. I understand Mr T would naturally want to know the information I have weighted in order to reach this finding. But as I've set out already, I am treating this information in confidence, which is a power afforded to me under the Dispute Resolution Rules (DISP), which form part of the Financial Conduct Authority's regulatory handbook.

Accordingly, I have accepted information in confidence which I am not disclosing to Mr T. And the description of that information is that it's of a nature which justifies Tide's review, and which has led me to decide that awarding C compensation would not be a fair or appropriate outcome for any of the matters he has brought as part of this complaint.

So, I'm not requiring Tide to compensate C for any trouble it may have experienced because of the time taken for Tide to carry out its review, and the further dissatisfaction Mr T experienced which ultimately flowed from not having access to the funds in C's account, including his unhappiness with Tide's communication and the information it didn't provide him.

In summary, I recognise how strongly Mr T feels about C's complaint, so I realise he will be disappointed by my decision. But overall, based on the evidence I've seen I won't be telling Tide to do anything more to resolve C's complaint.

## **My final decision**

For the reasons I've explained my final decision is that I do not uphold this complaint.

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

Sharon Kerrison  
**Ombudsman**