

The complaint

Mr G complains PayrNet Limited blocked his Pockit account and haven't released money held in the account back to him despite agreeing to do so.

The Pockit account is a pre-paid payment card administered by PayrNet Limited.

What happened

Mr G had a Pockit account.

In June 2021, Pockit decided to review Mr G's account. Whilst it completed its review Pockit blocked Mr G's account. At the time Mr G's balance was just over £100. As part of its review Pockit asked Mr G to provide proof of his identification, address and to explain how he used his account.

In response, Mr G sent Pockit pictures of his driving licence, passport, and a copy of a bank statement for an account he held with another bank. And he told Pockit he used his account for personal use. Pockit sent Mr G an automated email response thanking him for sending in the information. But said it couldn't provide a timeframe for when it would complete its review. And Mr G's account remained blocked.

Over the following months, Mr G sent Pockit several emails to try and find out what was happening with his account. But Pockit didn't respond. In September 2021, Pockit said it needed more information and asked Mr G how he funded his account and to explain how he used his account. Mr G answered Pockit and told them that he was in a vulnerable position due to a disability and needed the money in his account released.

In October 2021, Pockit wrote to Mr G and told him it was closing his account and would be returning his account balance back to him if he provided a bank statement. Mr G sent Pockit a recent bank statement, but to date Pockit still haven't returned Mr G's account balance to him.

Mr G complained to our service. He said he had other accounts to use, but the lack of contact and waiting for his balance had been frustrating. He said he had to spend time writing emails to Pockit over several months and was still waiting for his balance to be released despite Pockit saying it would give him his money in October 2021.

One of our investigator's looked into Mr G's complaint. He said Pockit hadn't treated Mr G fairly and that Pockit should return Mr G's funds with interest and pay him £50 compensation for the trouble and upset he'd suffered. Mr G agreed. Pockit asked for an ombudsman to review the complaint. 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.

Pockit has important legal and regulatory obligations it must meet when providing accounts to customers. And it must take certain actions in order to meet these obligations. They're also required to carry out ongoing monitoring of new and existing relationships. That sometimes means they need to restrict customer's accounts – either in full or partially while they carry out a review.

Having looked at the information Pockit relied upon, including how Mr G was operating his account, I'm satisfied that they were complying with these obligations when they blocked Mr G's account and asked him for information. The terms and conditions of Mr G's account also permit Pockit to block an account and I'm satisfied Pockit acted in line with them. So, I can't say Pockit did anything wrong when it *decided* to review Mr G's account.

However, while Pockit are entitled to carry out a review, we'd expect them to do so in a timely manner and without undue delay. Pockit initially blocked Mr G's account in June 2021. I can see that Pockit asked Mr G to provide it with information at the time, however, his account remained blocked with no further contact until 2 September 2021, when Pockit wrote to Mr G asking him to provide some more information. I don't consider little or no contact for more than four months to be reasonable or fair.

By October 2021, it seems Pockit had completed its review – I say this because at this point it told Mr G it was closing his account and was happy to release his balance on production of a bank statement. Pockit hasn't offered much in the way of any explanation for why its review of Mr G's account took as long as it did to complete and why it still hasn't released Mr G's balance.

I find this quite puzzling especially as Pockit told Mr G in October 2021, that it was closing his account and said it would release his balance via bank transfer if he provided it with a copy of a recent bank statement. Despite the investigator asking Pockit to explain why it hasn't followed through with this action it hasn't done so. Pockit also hasn't provided any evidence that Mr G isn't entitled to the balance of his account. So, I'm not aware of any reasonable explanation as to why Pockit should consider it fair or appropriate to keep Mr G's balance. It follows that Pockit should release Mr G's balance to him and add interest for loss of use of these funds.

I can see that Mr G sent several emails to Pockit over a number of months chasing the release of the money in his account. He made Pockit aware that he was disabled, and he needed the funds. But I haven't seen anything to suggest Pockit reached out to him, responded to his emails in a timely manner or acknowledged he maybe in a vulnerable position. So, overall, I'm not satisfied that Pockit has treated Mr G fairly and reasonably. I think having to wait again to access his funds has caused extra distress. Because of this, I think Pockit should also pay Mr G £50 compensation to recognise the trouble and upset this matter has caused him.

My final decision

My final decision is that I uphold Mr G's complaint. To put things right PayrNet Limited should:

- Pay Mr G £50 compensation for the trouble and upset caused by the time taken to complete its review and poor communication
- Refund Mr G the balance of his account along with 8% interest simple per year from the date it was blocked until the date of refund

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 11 April 2022.

Sharon Kerrison
Ombudsman