

The complaint

Mr B complains that PayrNet Limited, trading as Pockit, restricted his account and withheld his funds. And he'd like his funds returned.

What happened

Mr B had an account with PayrNet, trading as Pockit. In June 2021 Mr B explained that he sold a van, and most of the funds – £1,300 – were transferred into his account with Pockit.

Soon after the payment was received Pockit restricted Mr B's account. He complained to the business, but they didn't release his funds or uphold his complaint.

So Mr B brought his complaint to our service.

In October 2021 Pockit let Mr B know they'd return his funds if he provided an identification document and a current account bank statement. Mr B provided the documents, and Pockit advised on 7 December 2021 they'd returned his funds. However, Mr B didn't receive them.

Our investigator asked Pockit the reasons why they'd withheld Mr B's funds – but they didn't provide any of the information requested despite numerous requests. So our investigator reached her conclusions on the information already provided.

Our investigator concluded that Pockit hadn't acted fairly in withholding Mr B's funds, so directed the business to pay him £1,300, plus 8% interest from June 2021 to the date of release and £200 compensation for the inconvenience caused to him.

Mr B accepted our investigator's view, but Pockit didn't respond.

So it's been passed to me for 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.

It's my role to assess whether I think Pockit have acted fairly in withholding Mr B's funds based on the evidence we've received. Mr B's explained that he sold a van, and received most of the payment via his Pockit account – a total of £1,300. As our investigator explained in her view, our service has asked Pockit on several occasions to provide information on their reasons for withholding Mr B's funds. In most circumstances I'd expect Mr B to provide proof of entitlement for any funds which are withheld – but as Pockit haven't provided any evidence to show *why* the funds were withheld and the business has already *agreed* to release them, I'm satisfied that Mr B doesn't need to provide any further proof.

For the reasons outlined above I don't think Pockit acted fairly in withholding Mr B's funds.

Putting things right

I'm satisfied that Pockit didn't act fairly in withholding Mr B's funds, and caused him anxiety in failing to release his funds as they agreed to. And this has caused him inconvenience. For this reason I'll be asking Pockit to compensate Mr B £200.

My final decision

My final decision is I direct PayrNet Limited to:

- Pay Mr B £1,300, plus 8% simple interest (calculated per annum) on the balance – this is applicable from the date they blocked the account until the funds are returned.
- Pay Mr B £200 compensation for the inconvenience caused to him.

If HMRC requires PayrNet Limited to pay tax on this interest, PayrNet Limited should provide Mr B with a certificate showing how this is calculated if he asks for one.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 24 August 2022.

Jeff Burch
Ombudsman