

## **The complaint**

Mr B complains that PrePay Technologies Limited reviewed and then closed his account without notice.

## **What happened**

Mr B had an account with Monese, one of PrePay's agents. In June 2021, Monese suspended Mr B's account, and informed Mr B that it had done this in August. It said it'd be in touch with the next steps. In March 2022, Monese completed its review and decided to close Mr B's account. In September the outstanding balance on the account, £5, was returned to one of Mr B's other bank accounts.

While all this was happening, Mr B complained to Monese and then referred the complaint to us.

I issued my provisional decision on this complaint on 24 January 2023. I said I thought the complaint should be upheld – I thought based on what I'd seen, Monese should have given Mr B two months' notice before it closed his account. but I wasn't persuaded that what Monese had done had had a real impact on Mr B, aside from the inconvenience of having to chase Monese to find out what had happened. Monese had already paid Mr B £25 to reflect the trouble and upset it had caused. It had now offered a further £20, which was also intended to reflect the time Mr B had been deprived of the funds. Based on everything I'd seen, I thought this was a fair resolution to Mr B's complaint.

PrePay has replied to say it agrees with my findings.

Mr B doesn't agree. He says he opened this account in order to take advantage of promotions Monese ran involving discounted gift cards. If he'd received the notice to close, he says he'd have been able to purchase more discounted gift cards through his account. He estimates his losses from this are £50.

He also says that Monese runs a friends referral scheme, and he didn't receive £20 from his latest referral.

He says he also found the lack of responses from Monese difficult and frustrating. He wants £200 compensation for the time he's taken to sort things out.

I've therefore reviewed the complaint afresh.

## **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.

Monese told Mr B it was closing his account because he was using the account for business purposes. But it then told us it didn't have any evidence to support its concerns. It couldn't show it had previously warned Mr B it had concerns about the use of the account. And it hadn't asked Mr B anything about the payments in question before it concluded the

payments must be business related.

We asked Mr B about that. He said the payments to and from the account involved an account with a third party payment platform he says he used like a bank account. He made payments to and from that account using his Monese account. He said he also used the Monese account to make occasional payments to friends and family.

With that in mind, I didn't accept that Monese had shown cause to block or close the account immediately. There also seemed to have been a long period between the last of these payments in May 2020 and the review in June 2021, over a year later. I'd also expect Monese to complete any review without undue delay – and here it had taken until March 2022 before Monese decided to close the account and a further six months before it returned the remaining funds to Mr B. With all this in mind, I said in my provisional decision that I thought the complaint should be upheld.

In my provisional decision, I said that where I uphold a complaint, I'd look to put the complainant as far as possible in the position they'd be in if things had happened as they should have done. Here, Monese blocked and closed Mr B's account, effectively without notice. But the account had just £5 in it at the point the account was closed. Mr B told us he only opened the account because he wanted to try it out – and in fact had a number of other bank accounts with other financial businesses. Mr B used this account infrequently. The terms and conditions otherwise allowed Monese to close the account if it gave two months' notice – and I thought that Monese would have been acting in line with the terms and conditions of the account had it done so. I acknowledged the considerable delay before Monese completed its review. But given the balance was just £5, I wasn't persuaded Mr B suffered substantial distress or inconvenience because of this – aside from the inconvenience of having to chase up Monese to find out what had happened.

Monese had offered Mr B £25 for the trouble and upset it caused. While the complaint was with us, Monese had offered a further £20. I thought this was a fair resolution to Mr B's complaint.

I've carefully considered the points Mr B has raised in response to my provisional decision. But this doesn't change my conclusions. I'll explain why.

This account only had £5 in it at the time Monese blocked and closed the account. For the reasons I've already explained, I don't accept that Mr B was caused hardship or distress by not having access to this account during this period. Mr B had access to significantly greater funds in other accounts. So while Mr B thinks that he should get £200 to reflect the time he spent chasing Monese about this, this would be wholly disproportionate. As I explained in my provisional decision, I'm not persuaded blocking this account had any real impact on Mr B at all.

I next turn to the financial losses Mr B has mentioned. Mr B says that if Monese had given him the proper notice, he'd have been able to buy gift cards at a discount. He also says he was due a payment of £20 under a referral scheme.

I accept that with hindsight Mr B thinks he might have used the account to buy the discounted gift cards. But given Mr B used this account infrequently – and had last used the account for that purpose more than a year before Monese reviewed the account – I'm not persuaded that this is something he'd most likely have done. I accept Mr B may have lost the chance to do this. But I think that's already more than adequately compensated for in the £45 Monese has now agreed to pay.

Similarly, while I acknowledge that Mr B thinks he'd have received the £20 referral bonus,

I'm not persuaded this warrants additional compensation above what Monese has already offered – which, to the extent Monese proposed to pay Mr B the £20 rather than calculating compensatory interest on the £5 that remained in his account, was already generous.

Looking at everything, even if I take into account the points Mr B has raised, I conclude that that £45 Monese has agreed to pay in total will fairly compensate Mr B for both the financial and non-financial impact of everything that happened to him. In the circumstances of this complaint, I don't accept it would be fair to tell Monese to pay more.

### **Putting things right**

PrePay has already paid Mr B £25. It should also pay him a further £20 to reflect the trouble and upset it caused..

### **My final decision**

I uphold Mr B's complaint. PrePay Technologies Limited should put things right by doing what I've said above and pay Mr B an additional £20 in addition to the £25 it has already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 7 March 2023.

Rebecca Hardman  
**Ombudsman**