

## **The complaint**

Mr F complains Think Money Limited (“TML”) blocked and then closed his account without explanation.

Mr F says this has caused him trouble and upset, and to put things right he wants all his money returned.

## **What happened**

In October 2021, following its review, TML restricted Mr F’s account. Later in November, TML spoke to Mr F about his account activity. TML then wrote to Mr F and gave him notice his account would be closed in 7 days.

TML say that several payments, after the restriction on the account was applied, were returned to source – that is to the remitting accounts.

Mr F said he received payments of £7 and £55 from TML, but he thinks its holding onto much more. Unhappy with its actions, Mr F complained. In addition to the points above he also complained his online service was unavailable, and his card was blocked.

TML sent Mr F its final response on the complaint. In summary, some of the key points it made were:

- Funds in the account were made available to Mr F in December 2021
- TML had made no error when restricting and reviewing Mr F’s account – it has regulatory and contractual obligations to meet
- Over October 2021 and November 2021, two faster payments of £220 and £372.32 were returned to the sending accounts
- TML processed some faster payments made into Mr F’s account outside of its normal service levels - it is sorry about the delays
- As Mr F’s account was under review, his online service was also restricted
- TML did not restrict Mr F’s card in October in November 2021, but some transactions were declined due to there being insufficient funds in the account at the time. So TML have not made an error here
- For TML’s service falling short, it awarded Mr F £50 compensation

One of our adjudicator’s then looked into Mr F’s complaint. In summary they found:

- TML was entitled to end its relationship with Mr F, and it wasn’t required to give any reason. But TML didn’t give sufficient notice of closure to Mr F
- Because of this Mr F experienced disruption in receiving his salary for several weeks,

and this caused him to have to rearrange his financial arrangements. Mr F also had to borrow money to get by. Because of this TML should pay Mr F £100 for the distress and inconvenience caused, in addition to the £50 it's already paid

- They could see Mr F was unable to retrieve £130.89 held in his account from October 2021, but this was made available to him in December 2021. Two payments of £220 and £372.32 were returned to the source accounts. And the account closed with a zero balance, so TML isn't holding onto any of Mr F's funds

TML did not agree with what our adjudicator said. In summary, and in broad terms. It argued that it had acted in line with the terms of the account. And its concerns taken together were enough to close the account with seven days' notice. Our Investigator said TML should have given much more notice to Mr F, as its concerns, and evidence therein, did not meet the standards we'd expect for closing the account sooner.

TML said it hadn't done anything wrong, and its concerns were enough to merit a seven-day closure. It also said that it had acted fairly in closing the account in this way, and previous decisions from this service were consistent with that.

As TML didn't agree, this complaint has now been passed 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.

Having done so, I uphold this complaint in part. I'll explain why.

Regulated businesses in the UK, like TML, are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They are also required to carry out ongoing monitoring of an existing business relationship. That sometimes means TML needs to restrict, or in some cases go as far as closing, customers' accounts.

It's important to note that our rules allow us to receive evidence in confidence. We may treat evidence from TML as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information TML has provided is information we consider should be kept confidential. I'm also unaware of any obligations that I or TML are under to disclose the reasons to Mr F.

But having seen the evidence from TML as to why it had concerns, I'm satisfied it hasn't done anything wrong when restricting and reviewing Mr F's account. I note it also asked Mr F questions about his activity, which I would expect it to do.

Mr F has complained about not having access to his online app and banking during this period. But given the account was restricted, I don't think TML have acted improperly here. After all any access to online methods would mean the account wasn't restricted.

TML is entitled to close an account just as a customer may close an account with it. But before a TML closes an account, it must do so in a way, which complies with the terms and conditions of the account. So I need to decide if TML applied its terms fairly here.

The terms and conditions of the account, which TML and Mr F had to comply with, say that it could close the account by giving them at least two months' notice. And in certain circumstances it can close an account immediately or with less notice.

I've carefully considered TML's evidence, reasons and arguments for why it thinks it has applied its terms fairly by giving Mr F less than two months' notice. But having done this, I don't agree. For the reasons I've given above, I can't give too much detail about that here, but in broad terms I'm not persuaded on balance the reasons given, even taken together, were enough to warrant a seven-day closure. So I think TML should have given Mr F two months' notice.

This would mean Mr F had more time to rearrange his financial circumstances. So this matter caused him avoidable inconvenience and distress.

Mr F says he had to borrow money whilst his account was restricted, but I've said TML acted fairly in restricting the account. But I do think it caused delays, as it has admitted. So this is something I'll take into account when reaching what I think is a fair compensation award.

TML have sent me technical information which shows Mr F's debit card during the period he has complained about was declined because of insufficient funds. So I'm satisfied they didn't do anything wrong here – its also worth noting that a card is typically suspended in most cases where the source account has been restricted. Though that doesn't appear to be the case here.

TML have given me information which it shows most of the payments into Mr F's account were returned to source – the remitters. Mr F hasn't explicitly complained about this, so I asked one of our Investigator's to find out if he had been able to recover his funds. Mr F, despite several follow ups hasn't responded.

I don't think TML's concerns were such that these payments ought to have been returned to source. But As Mr F hasn't complained about this nor said he's lost out; I'm unable to reach a finding on this point.

From the technical information and statements sent to me, I'm satisfied any funds held by TML in Mr F's account have been returned to him.

TML has apologised for delays in processing inbound faster payments to Mr F's accounts. And, for its delays overall awarded Mr F £50, which appears to have been paid to him when the account was closed.

So given what I've said above about the distress and inconvenience TML's actions have had on Mr F, and given he's already been paid £50, I award a further £100 as compensation.

### **My final decision**

For the reasons above, I uphold this complaint in part. I now direct Think Money Limited to pay Mr F £100 in compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 21 July 2023.

Ketan Nagla  
**Ombudsman**