

The complaint

Mr J complains that PayrNet Limited has failed to return to him the remaining balance of a closed account.

What happened

We have been provided with limited information about this complaint by PayrNet. So the sequence of events set out below is limited to what can be seen from the evidence provided.

Mr J opened an account with PayrNet. Mr J knows PayrNet by the trading name Pockit, so I will use that name throughout this decision.

In May 2021 Mr J contacted Pockit about a payment he didn't recognise that was made after he said he had lost his card. At some time around the 11 June 2021 Mr J's account was closed or otherwise restricted so that he could no longer access the funds it contained, which consisted of benefits he had received from the government.

Mr J contacted Pockit to ask how he could access his funds. But despite protracted correspondence he has been unable to access his money. Mr J was unhappy with how Pockit was handling things and so he referred his complaint to us.

One of our Investigators looked into what had happened, and ultimately decided that Pockit had not treated Mr J fairly. They recommended that Pockit transfer Mr J's money to the account he had requested, along with 8% interest from the date the funds were credited until the date of payment. The Investigator also recommended that Pockit pay Mr J £250 compensation.

Pockit didn't respond. Mr J explained that, given how long this issue had been ongoing for, he felt the recommended compensation was too low. As no agreement could be reached this complaint has therefore 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.

Having done so I've reached the same conclusions as our Investigator and for largely the same reasons.

Looking at the limited information we hold, I can see that when Mr J first made contact with Pockit in June 2021 about regaining access to his account he initially received no meaningful response. In July 2021 he was then told he would need to provide proof of ID, which he did, in the form of a photo of his passport, a utilities bill, and a letter regarding council tax benefit. Although some of these documents were difficult to read in the photos Mr J sent to Pockit I've not seen anything from Pockit to show that it rejected these documents or that it told Mr J it had failed to verify his identity.

Pockit then responded setting out what Mr J needed to provide if he wanted to change his address. But this wasn't what Mr J had asked to do, so he was understandably confused. He resent his identification documents again, and continued to ask for help with gaining access to his account, but received only generic responses from Pockit that didn't help to move things forward in any way.

Ultimately, Mr J told Pockit he wanted to close his account, and Pockit asked him to fill in a form so that it could facilitate a transfer of the remaining funds out of the account. It appears though that to do this Pockit said it would need a bank statement for an account in Mr J's name so that it could transfer the funds to that account. But Mr J has said he does not have a bank account, and he repeatedly explained this to Pockit and provided details of a third party's account where he would like the funds transferred. Again he received only generic or unhelpful replies to his messages, and often appears to have received no reply at all.

Pockit's internal records show that it was aware Mr J might be vulnerable, and he clearly explained in his messages that not having access to this money was causing him numerous difficulties with meeting bills and paying for essential items like food. Pockit has failed to demonstrate that it did anything meaningful to try to help Mr J with his situation here, its correspondence seems to have instead just caused further confusion and delay.

I acknowledge that Pockit's usual process when an account is closed would be to transfer funds to a bank account in the Pockit account holders name. But Mr J had explained why that was not possible here, and given that in its normal operation Mr J's account could be used for faster payments to other UK bank accounts I cannot see why Pockit couldn't have done more to facilitate the payment of his funds to the account he had requested.

So with all this in mind I consider that Pockit has caused a significant delay in Mr J receiving funds that belonged to him and that he needed for essential day to day expenditure. It follows that I find Pockit should find a way to make those funds available to Mr J as soon as possible. And to compensate Mr J for the loss of use of those funds over this period it should also pay 8% interest on those funds from the date they were received in Mr J's Pockit account to the date Mr J is once again able to access them.

I appreciate that this process has been drawn out and stressful for Mr J, and that not having access to this money has caused him a great deal of worry and upset. So I do think a further compensation award is also merited here, but having considered all the circumstances and the level of compensation we've awarded in other cases with similar circumstances, I'm satisfied the £250 compensation our Investigator recommended is appropriate in the circumstances.

Putting things right

To resolve this complaint PayrNet (trading as Pockit) should:

- Take steps to ensure Mr J is able to access the outstanding balance of his account
- Pay 8% simple interest* on that balance from the date it was paid into his Pockit account to the date it is once again available for him to use
- Pay Mr J £250 compensation

Mr J has made clear that he does not have a bank account in his name. But he has provided details of an account belonging to a third party where he would like the funds to be paid. If PayrNet (trading as Pockit) is unable to facilitate a transfer of the funds to that account it should work with Mr J to find an appropriate solution which would give Mr J access to this

money.

*HM Revenue & Customs requires PayrNet (trading as Pockit) to deduct tax from any award of interest. It must give Mr J a certificate showing how much tax has been taken off if **he** asks for one.

My final decision

I uphold this complaint. PayrNet Limited should put things right in the way I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 16 March 2023.

Sophie Mitchell
Ombudsman