

The complaint

Mr G has complained that Think Money Limited (“Think Money”) no longer shows the payment reference number on his account statements.

What happened

Think Money updated its app, and one of the changes made was that references for individual transfers no longer appeared on the account statement.

Unhappy with this, Mr G complained to Think Money on 11 June 2024. Think Money issued its final response to Mr G’s complaint on 10 July 2024 and didn’t uphold the complaint. Think Money said that its app was working as designed and that the reference field is for its own record keeping, in case it needs to refer back to a specific payment. Think Money acknowledged that customers should be able to access information about past transfers and the reference that was included with the transfer, without difficulty, and confirmed that feedback had been provided as a result of Mr G’s complaint.

Unhappy with Think Money’s response to the complaint, Mr G referred his complaint to this service.

One of our investigators assessed the complaint, but they didn’t uphold the complaint. As Mr G didn’t accept the investigator’s findings, the matter was referred for an ombudsman’s decision.

I issued a provisional decision on 28 November 2024, explaining why I was minded to uphold the complaint. I have included an extract of my provisional decision below, and it forms a part of this complaint.

“What I’ve provisionally 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 reviewed everything, I’m currently minded to uphold this. I will explain why. I understand that previously, Mr G was able to see the individual references he’d given to individual payments and transfers. But following an update to the Think Money app, this information was no longer present on Mr G’s account statements.

In the circumstances, I can understand why Mr G was unhappy with this change. Mr G says that he makes regular transfers to the same payee, but uses different references so that he can identify what each transfer relates to. So I can see why, given Mr G’s circumstances, the removal of payment references was frustrating, and caused him unnecessary inconvenience in reconciling the payments he’d made.

When considering this complaint, I've taken into account what the Payment Service Regulations 2017 say about this issue. And these do appear to require Think Money to include such payment references on account statements. We've highlighted the requirements under the regulations with Think Money and Think Money has said that it is 'working to implement this as soon as possible'.

So I think that not showing the references on the app is having an unfair outcome for Mr G in the individual circumstances of his complaint. The question is what would be fair and reasonable to put that right for him. One of the things that Mr G has asked for to resolve this complaint is for this service to instruct Think Money to change its systems, to reinstate the appearance of payment references on the account statements. However, this service is unable to instruct businesses on how to operate or what systems it should have in place. So, I'm unable to direct Think Money to do this.

But Think Money should recognise the impact this is having on Mr G as a customer – it's clear that it's causing him some inconvenience and frustration. For that I think it should compensate Mr G £50. But I can't tell Think Money that it should change its systems – even if they are having an unfair outcome for Mr G.

Mr G is aware that Think Money is not currently able to include payment references on account statements as it stands. And it's not clear when this feature will be reinstated. So in the circumstances, Mr G may wish to consider this in respect of his future relationship with Think Money, if this is something that will continue to cause difficulties for him when using his account.

Finally, I note that there was some mention that Mr G was using the account for business purposes. Whereas Mr G has said that he wasn't and only uses the account to lend money to friends and family or for personal purchases. I've not looked into the individual transactions on his account - so I don't know whether he was using the account for business purposes or not. But I have reviewed Think Money's terms and conditions, and it is stated that the account can't be used for business purposes. Therefore, whilst I don't know if the payments were for businesses purposes or not, I should point out to Mr G that if he does use his account for such a purpose in the future, this could potentially lead to the close of his account.

Putting matters right

Having considered what Mr G has said, and particularly given the high volume of payments he makes to the same payee, Think Money's decision to remove the payment references has clearly caused him some inconvenience.

Therefore, whilst I can't tell Think Money to change the format of its account statements or its online app, I am currently minded to say that Think Money should pay Mr G £50 for the inconvenience caused to him by this matter."

After I issued my provisional decision, Think Money responded. It said it accepted my provisional decision and even confirmed that it had already paid Mr G the £50 I'd said it should pay in the provisional decision.

Mr G also responded to the provisional decision. In summary Mr G said that Think Money is in breach of the Payment Service Regulations by not reinstating the addition of payment references to account statements. Mr G says that this issue has affected over 1,000,000 Think Money customers and says that £50 compensation doesn't reflect that. Mr G says his complaint is like an opt-out class action. Mr G would like £1,000 not just for the effort he has had to go to but also for the systemic disruption caused to over 1,000,000 people.

To resolve the complaint, Mr G wants me to direct Think Money to reinstate personal payment references on account statements immediately, £1,000 compensation, and if I am unable to do the former, to report the matter to the Financial Conduct Authority.

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 reconsidered everything, I see no reason to reach a different outcome to the one I reached in my provisional decision.

In terms of Mr G's request for more compensation, I don't think it would be proportionate or reasonable to say that Think Money should pay him £1,000 compensation for the issue that is at hand. One of the reasons Mr G has given for the increased compensation is because he says this issue has affected over 1,000,000 customers. I don't know how many people are actually affected by this issue, let alone how many of those people are aggrieved by it. But either way, I don't think it is particularly logical to say that Think Money should pay Mr G more money because other customers may potentially also find the change it made to its systems to be inconvenient.

Mr G has said that his complaint is similar to an opt-out class action. However, this service is an informal alternative to going to court and operates on a case-by-case basis. So I'm limited to considering the impact on Mr G only. And having considered what Mr G had said, I think a small award of compensation is merited as I can see that it caused some frustration to Mr G, and caused him some unnecessary inconvenience in reconciling the payments he'd made to friends and family.

Finally, I note that Mr G has requested that I either direct Think Money to change its systems immediately, or if I can't do that, to report Think Money to the Financial Conduct Authority.

As I said in the provisional decision, it is beyond the remit of this service to instruct financial businesses on how they should operate. So, I can't direct Think Money to change its account statements in a particular way. That being said, when reviewing this complaint, I did point out to Think Money what the Payment Services Regulations 2017 say about the matter regarding displaying payment references on account statements. And Think Money did say in response, that it is looking into matters which is reassuring, although as mentioned before, no time scale was given as to when any changes may be made.

In terms of referring Think Money to the FCA, I would like to make it clear that this service does, where it deems it necessary or appropriate, contact the FCA about financial businesses – whether that be because we have concerns about conduct or if a business doesn't comply with a decision issued by this service. But that process sits outside of the case handling process. Therefore, I can't comment further on whether the FCA will be

contacted about this specific matter within this decision, but I have noted Mr G's opinion on the matter.

Putting things right

So, to put matters right, I require Think Money to pay Mr G £50 for the inconvenience caused to him by this matter, if it hasn't done so already.

I note that Think Money says it has already paid this money to Mr G. But I have included the above, just in case Mr G has any issues receiving the money.

My final decision

Because of the reasons given above, I uphold this complaint in part, and require Think Money Limited to do what I have set out above (if it has not done so already), to put matters right, in full and final settlement of this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 15 January 2025.

Thomas White
Ombudsman