

The complaint

P, a limited company, complaints that PayrNet Limited unreasonably blocked access to their account, which caused significant disruption to their business.

P held an ANNA branded account – who provide services on behalf of PayrNet. For ease of reading in this decision I'll refer to ANNA.

What happened

On 24 October 2024 P attempted to make a payment from their ANNA account, only to be told that their account was currently suspended. The next day ANNA asked them to provide information on two payments received in June 2024.

P responded to explain that these were from a client that they were currently in a dispute with and provided documentation to show this. They also explained they couldn't pay their suppliers and asked to raise a complaint about the block. The block was removed on 5 November.

ANNA responded to the complaint to say that strict protocols prevented them from lifting the restriction until all parties had confirmed allegations had been retracted. During this time their staff can't provide any details, so they apologised for the lack of updates. They agreed to waive two months' worth of fees.

Dissatisfied with this P referred their complaint to our service. One of our investigators looked into it but thought ANNA didn't need to do anything further.

P disagreed, saying that the impact on them had been disproportionate and that compensation should be considered. But this didn't change the investigator's mind. As no agreement could be reached the complaint has 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.

ANNA, like all regulated financial businesses in the UK, have strict legal and regulatory obligations to meet when providing accounts to their customers. These obligations can broadly be described as a duty to monitor accounts and payments for indications of financial crime or financial harm. In this case ANNA has asked questioned about two transactions paid into P's account, and they've confirmed the sending bank raised concerns about these transactions.

It's right that ANNA take reports like this seriously, and to check that P is entitled to the funds they've received. It's also reasonable that they take steps to prevent any further transactions on the account while they investigate. And the terms of P's account allow ANNA to suspend account activity if there are concerns about the activity. I'm not persuaded that this is

disproportionate, as its in line with ANNA's legal and regulatory obligations and wider industry practice.

In total the account was restricted for 12 days. P promptly provided ANNA the requested information about the transactions and their discussions with the sender. I can see from the internal notes that this was considered, and further information requested. Once again P was very prompt in supplying the requested information, and the account was unblocked shortly after.

I've no doubt this will have caused inconvenience to P, but I'm not persuaded this an unreasonable timescale. ANNA have reviewed the information, and I haven't seen any indication there were any unreasonable delays. ANNA have acknowledged they didn't keep P updated during this period and apologised. There is oftentimes very little a business will say when an account is under review. So, I see that the apology and waiving of fees is appropriate.

While I'm aware this will be disappointing for P, I don't see that ANNA have been unfair or unreasonable in their handling of the review of P's account. On that basis, I don't see that they need to do anything further.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask P to accept or reject my decision before 8 May 2025.

Thom Bennett
Ombudsman