

complaint

Mr T is unhappy that Wirecard Card Solutions Limited carried out a review and subsequently blocked his account. He says this has caused him a significant amount of distress due to the time he hasn't had access to his money.

background

Mr T had an account with Wirecard. He said he used it mainly for gambling, because it was a hobby of his.

In October 2017, Mr T's account was blocked – and Wirecard didn't tell him why. They did ask him if he was part of a gambling syndicate but Mr T said he wasn't.

Mr T complained and Wirecard responded saying they have the right to suspend the account as part of their terms and conditions. However, they didn't go into any further detail.

When Mr T brought the complaint to our service, Wirecard told us they would be returning the money which was held in Mr T's account to the original sources. Mr T says he suffered a lot of stress because he couldn't access his money.

The investigator who looked at Mr T's complaint agreed that Wirecard was allowed to suspend the account. However, she thought they had caused unnecessary delays. So she suggested Wirecard should;

- return the funds to source;
- pay 8% simple interest on the delay of returning the funds;
- pay £200 compensation for the inconvenience caused;
- and give Mr T a breakdown of where each payment was being returned.

Wirecard didn't agree with the investigators findings so the complaint has been passed to me to review.

my findings

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 come to the same outcome as the investigator and for much the same reasons. I've explained further below.

account block

I recognise how worrying and frustrating it must have been for Mr T to realise he couldn't use his account. However, a bank is entitled to review an account with a customer. But it must do so in a way which complies with the terms and conditions of the account. It's also relevant to let Mr T know that the bank isn't generally obliged to provide an explanation as to why funds are generally not accessible.

I've considered Wirecard's actions when blocking Mr T's account. Wirecard has told this service that the block to Mr T's account was applied to meet their regulatory requirements in line with the terms and conditions – and I'm satisfied it was. So while I appreciate the inconvenience this may have caused, having looked at the evidence, I can't fairly say Wirecard acted outside of their procedures when it blocked Mr T's account.

returning the money to source

However, I do agree there has been a significant delay in returning the money to source. Wirecard has told us they authorised the return of the funds in January 2018. And the delay was caused because of where they had to send the money – gambling sites. However, I don't agree a delay of over seven months is reasonable.

Therefore, I agree with the investigator that Wirecard should pay 8% simple interest on the funds held because of the delay Mr T experienced in being able to access the money. I also think it's important they let Mr T know which amounts are sent back to which gambling sites, so he can contact the relevant companies to withdraw the money. And I think £200 compensation is reasonable to reflect the distress and inconvenience the delays caused Mr T.

my final decision

So, I uphold Mr T's complaint against Wirecard Card Solutions Limited, for the reasons I've explained above.

Wirecard Card Solutions Limited should;

- return the funds to the appropriate source(s) within the next 28 days;
- pay interest on the funds which were held in the account at 8% per annum simple from the date they authorised the funds to be returned to source to the date they return the funds to source¹,
- provide Mr T with a detailed breakdown of which sources the money has been returned to;
- and pay Mr T £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 20 September 2018.

Hayley West
ombudsman

¹ HM Revenue & Customs requires Wirecard Card Solutions Limited to take off tax from this interest. Wirecard must give Mr T a certificate showing how much tax it's taken off if he asks for one.