

The complaint

Mr R complains that Think Money Limited blocked his account and stopped him accessing money held in the account. He's also unhappy about the service Think Money provided.

What happened

Mr R had a current account with Think Money. In May 2022, a credit of £25,000 was paid into Mr R's account. Following this, Think Money decided to review how Mr R was operating his account. As part of its review Think Money asked Mr R to provide them with information about the money which had been paid into his account. Whilst it completed its review Think Money blocked Mr R's account. This meant Mr R couldn't access the £25,000, however he was able to access DWP benefits and his direct debits continued to be paid.

Mr R told Think Money that the money paid into his account had meant to be paid into another account he held – a business account. And that he'd accidentally provided the wrong account details to the person who sent the money to him, who I will refer to as Ms S.

Mr R explained that Ms S was a customer of his business. He said that he had supplied an order of windows to Ms S which were to be exported overseas. He provided Think Money with a copy of a headed invoice made out to Ms S and photographs of the windows, which were wrapped and ready for shipment, to demonstrate he was entitled to the money that had been paid into his account. And that the £25,000 was payment he'd received for a legitimate business transaction. Mr R said he intended to transfer the money to his business account.

Think Money reviewed all the information Mr R provided. During its review, Mr R contacted Think Money to find out how long its review would take to complete. He said he spent hours on the phone trying to find out what was happening and how he could access his money. And he also sent emails asking for updates. But Think Money wouldn't tell him much and he was never able to speak to the department conducting the review. He said doing this was exhausting and affected his sleep.

Think Money completed its review on 22 June 2022 and removed the block on Mr R's account on 1 July 2022. Following, this Think Money closed Mr R's account on 4 July 2022.

Mr R complained to Think Money about blocking his access to his funds and account. He also said he was unhappy about how it had handled things – in particular that he had spent hours on the phone. In response, Think Money said it hadn't done anything wrong when it had blocked and reviewed Mr R's account. And that it had acted in line with the terms and conditions of the Mr R's account in doing so. However, it accepted that it should have provided better service to Mr R when he called them. It agreed that Mr R had to wait too long on the phone each time he called. So, it offered Mr R £70 compensation for the trouble and upset this had caused him. It also refunded Mr R's £10 account fee. Mr R said this didn't go far enough. He said he was left out of pocket because he couldn't access his money and the whole situation was very stressful. So, he wants more compensation.

Mr R brought his complaint to our service where one of our investigator's looked into what had happened. After reviewing all the information, the investigator didn't uphold Mr R's

complaint. She thought the bank had acted fairly in not releasing the money, blocking, and then closing his account. She also said that Think Money had done enough to put things right regarding the service it had provided Mr R. Mr R disagreed. He wants to know why Think Money blocked his account and more compensation.

As no agreement could be reached the matter has come 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.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from banks as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information Think Money has provided is information that we considered should be kept confidential. This means I haven't been able to share a lot of detail with Mr R, but I'd like to reassure him that I have considered everything.

I'll deal first with Think Money's decision to block and review Mr R's account. Think Money have important legal and regulatory obligations they must meet when providing accounts to customers. Those obligations are ongoing and don't only apply to when an account is opened. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime.

To comply with their obligations, Think Money will monitor accounts for activity which appears unusual or out of place. And may ask its customers to provide information about certain transactions. It's common industry practice for firms to restrict access to an account to conduct a review on a customer and/or the activity on an account.

I've looked at the information that has been provided by the parties, Mr R's account was flagged for review and was restricted by Think Money due to a large payment coming into the account, which from looking at Mr R's account statements, was out of character to the usual activity on the account. As part of their review, Think Money asked Mr R for detailed information about the payment that came into his account and where it came from – which they're entitled to do under their obligations and the terms of the account.

Having reviewed everything, I'm satisfied that Think Money's requests were reasonable in the circumstances. Ultimately it is Think Money who decide what information they do or do not require as part of a review and they have a duty to protect their customer's money and understand where it came from. Because of that, I can't fairly conclude Think Money acted inappropriately when it blocked Mr R's account and asked him to provide information. So, it wouldn't be appropriate for me to award Mr R compensation as I'm not satisfied Think Money treated Mr R unfairly when it blocked his account and asked him for information.

I understand that Mr R wants Think Money to explain the reason it applied the block to his account. He's also unhappy that Think Money gave him no warnings about what it was doing. But Think Money doesn't disclose to its customers what triggers a review of their accounts. And it's under no obligation to tell Mr R the reasons behind the account block, as much as he'd like to know. So, I can't say it's done anything wrong by not giving Mr R this information. And it wouldn't be appropriate for me to require it to do so or for me to disclose the reasons.

Mr R says Think Money took too long to complete its review of the account. He says Think Money should have done things more quickly. And he's pointed out that he provided the

information Think Money wanted pretty quickly. I do accept that it took just over a month for Think Money to release the funds held in the account and remove the account block. But I don't consider that it would be right for me to conclude it shouldn't have taken in excess of any particular or specific timeframe. Because Think Money was entitled – as a matter of principle – to do what it did in order to comply with its legal and regulatory obligations.

I've also looked at the timeline and can see that Think Money didn't cause any unnecessary delays and were trying to complete its enquiries as quickly as possible. I appreciate that Think Money's actions caused Mr R real inconvenience and upset. It wouldn't, however, be appropriate to make an award for compensation for that since I don't believe that Think Money acted inappropriately in taking the actions that it did.

I've gone on to consider whether Think Money acted fairly when it closed Mr R's account. Mr R has pointed out that the closure of his account caused him a lot of problems and stress. But it's generally for banks to decide whether or not they want to provide, or to continue to provide, banking facilities to any particular customer. Unless there's a very good reason to do so, this service won't usually say that a bank must keep customer or require it to compensate a customer who has had their account closed.

I've looked at the terms and conditions of his account. The terms and conditions outline that the bank can close a customer's account with two months' notice, and in certain circumstances they can close an account immediately. In this case Think Money closed Mr R's account with seven days' notice. For Think Money to act fairly here they needed to meet the criteria to apply their terms for immediate closure – and having looked at these terms and all the evidence I'm satisfied that the bank did. And that it was entitled to close the account as it's already done.

Finally, Think Money has accepted it should have provided Mr R with better service and offered him £70 compensation for any trouble and upset he was caused when he made phone calls and was kept waiting to speak to staff. It has also offered to refund Mr R's account fee. I'm satisfied that this is fair and reasonable way to resolve to resolve this aspect of Mr R's complaint. So, I won't be directing Think Money to do anything more.

In summary, it's clearly caused Mr R a great deal of inconvenience when he wasn't able to use his account. So understandably he's upset. And I appreciate it must have been a worrying and frustrating time for him. So, I realise he will be disappointed by my decision. But having looked at all the evidence and circumstances of this complaint, I'm satisfied that Think Money have done enough to put things right and I won't be asking them to do anything more to resolve Mr R's complaint.

My final decision

For the reasons I've explained, I don't require Think Money Limited to do anything more to resolve Mr R's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 27 September 2023.

Sharon Kerrison
Ombudsman