

## **The complaint**

Mr O complains that Think Money Limited blocked his account, he couldn't have access to his funds. Mr O wants the account unblocked, compensation and an apology.

## **What happened**

Mr O had an account with Think Money.

Following payments in and out of his account Think Money carried out a review of Mr O's account. They blocked his account on 1 November 2021 whilst they reviewed it. Think Money requested proof of entitlement of funds. Mr O provided evidence to Think Money.

On 6 December 2021 Think Money issued Mr O with a notice to close. It gave Mr O seven days' notice of closure, but the account remained blocked during this time. On 7 December 2021 the funds were returned to source.

Mr O says he provided information to Think Money as requested and even got the sender to provide information for Think Money, but the account remained blocked. Mr O says he was never told why the account was blocked.

Mr O hasn't complained about the return of funds to source or the closure of the account, so these haven't been considered in this complaint.

Mr O complained to Think Money. They said the account terms allowed them to block and review his account and in reviewing his account they were complying with their regulatory obligations.

Mr O remained dissatisfied, so he complained to our service. One of our adjudicators looked into the complaint. She said Think Money hadn't acted unfairly when they reviewed and blocked Mr O's account and asked for proof of entitlement to the funds. She said Think Money didn't have to give Mr O a reason for the account block, so she didn't think they had acted unfairly.

Mr O was unhappy with the view. He thought he should be told why his account had been blocked and he should have been given an explanation. He didn't think it was fair that Think Money had held his funds for over a month.

As there was no agreement 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'm very aware that I've summarised the events in this complaint in far less detail than the parties and I've done so using my own words. No discourtesy is intended by me in taking this approach. Instead, I've focussed on what I think are the key issues here. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to

the courts. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual argument to be able to reach what I think is the right outcome. I do stress however that I've considered everything that Mr O and Think Money have said before reaching my decision.

I'll start by setting out some context for the review of Mr O's account. UK legislation places extensive obligations on regulated financial businesses. Financial institutions must establish the purpose and intended nature of transactions as well as the origin of funds, and there may be penalties if they don't. This applies to both new and existing relationships. These obligations override all other obligations. I am satisfied Think Money were complying with these obligations when they reviewed Mr O's account. The terms of the account also allow them to review payments.

These obligations mean they may need to review an account at any time. While that is happening, they may need to block or restrict any payments. I can see that in blocking the account the bank were following an internal process which they carried out in order to comply with their legal and regulatory obligations. This was a legitimate exercise so I can't say Think Money was unfair.

Mr O has said he provided Think Money with the information they requested and even went so far as to provide a letter from the sender of the money but Think money still kept his account blocked.

Mr O also said he didn't know why he was asked to explain the reference for the money, and he doesn't understand what the reference has to do with holding the funds.

I've already said that Think Money were entitled to review and block the account and request information from Mr O as part of the review. I know Mr O thinks that there is or should be a time limit for carrying out a review and that Think Money were breaking the law or taking advantage of the law by taking a whole month to carry out their review.

I have considered what Mr O has said. I appreciate it was inconvenient having his funds blocked, but there is no prescribed timeframe to carry out a review of an account. I have looked at the information provided to me, and I'm satisfied that Think Money didn't cause any delays in carrying out their review. They were complying with their legal and regulatory obligations, and I am satisfied that they acted fairly when they carried out a review of Mr O's account. I don't think they were acting against the law or taking advantage of the law as Mr O has suggested.

Mr O was unhappy about the questions that were asked about the reference. Any questions or requests for information were part of the review process and I've already said Think Money were entitled to review and block the account as part of its legal and regulatory obligations.

Mr O has said that it can't be legal to block and review an account without telling the account holder the reason why. I am sorry to disappoint Mr O 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 O 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 O this information. And it wouldn't be appropriate for me to require it to do so.

In summary looking at everything I'm satisfied Think Money haven't acted unfairly here so I won't be asking them to do anything else.

**My final decision**

For the reasons stated above I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 13 October 2023.

Esperanza Fuentes  
**Ombudsman**