



The complaint

U is a limited company and complains that WorldPay (UK) Limited (WorldPay) closed its account and withdrew services after it was dissolved due to an administrative error.

U also complains that WorldPay declined its application for a new account.

What happened

U was a customer of WorldPay and used its services to take card payments. U has explained that due to an employee's failure to submit information on time it was temporarily dissolved on 6 August 2019.

On 14 August 2019 WorldPay closed U's account. U has told us there was a short delay when paperwork required to make the company active again was sent to the wrong place. U's limited company status was reactivated on 17 September 2019.

WorldPay told U it needed to reapply before services could be restored. But U's application wasn't successful and it complained.

WorldPay responded on 1 October 2019 but didn't agree it had made a mistake. WorldPay said the limited company's status was "dissolved" between 6 August 2019 and 17 September 2019 which meant U had to reapply for its services. WorldPay said it had correctly taken the decision to decline the application.

U referred its complaint to our service and it was passed to an investigator. She thought WorldPay had dealt with the complaint fairly and didn't ask it to do anything else. U asked to appeal so its complaint has been passed to me to make a decision.

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 understand that U's position came about as a result of an employee's failure to submit information on time and that it took swift action to resolve the dissolved status of the limited company. Whilst I don't doubt that the problems arose out of a genuine error, I have to focus my comments on WorldPay's actions and whether it treated U fairly. I've paid close attention to the relevant terms, which set out the relationship between WorldPay and U.

WorldPay took the decision to stop providing services on 14 August 2019 after it was notified U had been dissolved. Once a business is dissolved it ceases to exist. I understand U took action to have its "active" status reinstated, but that didn't happen for several weeks. I won't quote the terms in full as I can see the investigator has already set out the relevant section in their findings. But the terms say that U needed to ensure it had a permanent business registration, abide by the relevant accounting principles and pay all relevant taxes. As I've said, I understand the reason U was dissolved was due to a genuine error and I can see it took steps to resolve the situation. But I'm satisfied that WorldPay's decision to withdraw its services was reasonable and in line with the terms.

WorldPay received U's application on 18 September 2019 and declined it on 23 September 2019. WorldPay says it takes a range of factors into account when considering whether to approve an application, including previous account conduct, a business' financial position and its potential liability. WorldPay is free to decide whether to provide its services based on its commercial judgement. I understand WorldPay had previously provided card payment services to U, but that doesn't mean it had to accept the application it received on 18 September 2019. Whilst I understand why U found the decision difficult to understand, I haven't been persuaded WorldPay treated it unfairly or made a mistake by declining the application.

I'm sorry to disappoint U but I haven't been persuaded that WorldPay withdrew its services in error or that its decision not to approve its subsequent application was wrong. As I haven't found that WorldPay made a mistake and I'm satisfied it has dealt with U's complaint fairly, I'm not telling it to take any further action.

My final decision

My decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask U to accept or reject my decision before 27 August 2020.

Marco Manente
Ombudsman