

The complaint

Ms M complains that Wirecard Card Solutions Limited (“Wirecard”) have failed to account for funds which were supposed to be sent to her mortgage provider.

What happened

The background to this complaint is well known to both parties, so I won’t go over it in great detail. However, in summary, Ms M had an account with Wirecard and the issue relates to a payment of £330.06 which was due for Ms M’s mortgage. Ms M has been chasing Wirecard and her mortgage provider to establish where the funds have gone. The mortgage provider said the funds had been clawed back but Wirecard said their systems showed there weren’t sufficient funds in Ms M’s account so the direct debit payment for the mortgage payment didn’t go through. Ms M complained to Wirecard as she felt the information showed the payment had left her Wirecard account. Wirecard responded and maintained there were insufficient funds in Ms M’s account so the £330.06 never left her Wirecard account.

Our investigator looked into things for Ms M. He thought the funds had gone missing from Ms M’s account and recommended Wirecard refund the £330.06 together with 8% simple interest. He also recommended they pay £150 compensation. Ms M agreed but Wirecard didn’t respond so the matter was referred for a decision.

Wirecard then went into liquidation so our service has been corresponding with company O – who are the agents acting for the liquidators. Company O said the liquidators are prepared to pay £540 to settle the complaint. This is broken down as a refund of £330.06, 8% interest at £55 and compensation of £150. This totals £535.06 but the liquidators have offered £540. Ms M said she wanted a decision so the matter has come to me for 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.

Having done so, I’ve decided to uphold the complaint. And, I think the liquidators’ offer is a fair way to resolve matters.

Firstly, I’ve looked at the service given to Ms M. My role requires me to say how a complaint should be settled quickly and with minimal formality and so I’ll focus on whether I think the offer is fair and reasonable in the circumstances. I do acknowledge why a consumer will want to know specifically who is at fault if there’s a problem. But, despite there being conflicting accounts, I’ve focussed on the offer made by the liquidators.

The dispute between Ms M and Wirecard was around the £330.06 which was for a mortgage payment. The liquidators are prepared to refund this together with 8% interest, so I think it’s fair and reasonable in the circumstances and resolves the issue which led to Ms M’s complaint and puts her back in the position she would’ve been in had no error occurred.

I think it’s right that Wirecard should compensate Ms M for the frustration and inconvenience caused. To help decide what a fair and reasonable level of compensation should be, I’ve

looked at the errors by Wirecard and what the impact of those errors have been. I can see Ms M was chasing Wirecard over a period of time as information she received from her mortgage provider wasn't consistent with what Wirecard were saying had happened. And, there's the frustration to Ms M due to the funds not displaying clearly on her account. I can see Ms M is also concerned there's been damage to her reputation with the mortgage company and any impact on her credit file. I note Ms M feels the offer made by the liquidators was reasonable but there has since been further time which has passed and she has been left waiting for a resolution for longer. I do acknowledge this but Wirecard went into liquidation which meant there was a process for the liquidators to follow. And, while I accept it did then take longer to get the liquidator's thoughts on a resolution, I can't hold Wirecard responsible for that as the liquidators were taking necessary steps associated with the liquidation process.

Taking this all into account, I think the compensation of £150 offered by the liquidators is fair and reasonable in the circumstances. I wish to reassure Ms M I've read and considered everything she has sent in, but if I haven't mentioned a particular point or piece of evidence, it isn't because I haven't seen it or thought about it. It's just that I don't feel I need to reference it to explain my decision. This isn't intended as a discourtesy and is a reflection of the informal nature of our service. And, it's also for this reason that I've considered the liquidators' proposal as being fair and reasonable.

Putting things right

I've taken the view that the offer put forward by the liquidators, on behalf of Wirecard, is fair and reasonable in the circumstances and reflects the frustration and inconvenience caused to Ms M. So, Wirecard should pay Ms M £540.

My final decision

My final decision is that I uphold the complaint. Wirecard Card Solutions Limited must pay Ms M £540.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 12 September 2022.

Paviter Dhaddy
Ombudsman