

The complaint

Mr T complains about the service he received from Wise Payments Limited ("Wise").

What happened

Mr T contacted Wise ahead of a large transfer he wanted to make to his Euro account. This was over a period of around two weeks in July and August 2021. He asked various questions about how the transfer would take place, including how he could secure a favourable exchange rate and what documents he would need to provide for verification checks. Mr T was told the exchange rate would be secured for 24 hours once Wise had received his funds.

Mr T then started the transfer process. However, it became clear that the rate he thought he'd secured was no longer guaranteed. Mr T then contacted Wise to ask about this. He says he received unclear information and a promised returned call from 'the large payments team' which never came.

Mr T said he had to cancel his plans and monitor the exchange rates for the rest of the day which he said was a waste of his time. He said he had to take a risk and proceed with a transfer before Wise got back to him. Mr T ended up splitting the transfers into two smaller amounts – of £100,000 and £115,020 – and was able to secure more favourable rates later that day, but he said this was due to luck and the fact that he was monitoring the rates. He points out that the rate could have just as easily become less favourable. Mr T was also unhappy that he was asked to provide more supporting documentation to confirm the source of the funds than he says he was led to believe he'd need.

Mr T complained to Wise. He also pointed out that he was eligible for a fee discount in August 2021 due to the volume of transfers completed, but this hadn't been paid. And, was also unhappy that an adviser he spoke with on the webchat function kept repeating the same things in answer to Mr T's questions, when Mr T was saying he didn't understand. Mr T thinks he should have either explained things differently or passed matters on to another adviser.

Wise reviewed matters. In summary, it provided an explanation of how the fee discount is applied and didn't think an error was made. It also noted that Mr T had managed to secure a more favourable rate later despite what had happened. But it still acknowledged it could have provided him with clearer information about the guaranteed rate period. So, it offered Mr T £100 as a gesture of goodwill.

Mr T remained unhappy and brought his complaint to this service. He said he didn't think the compensation was proportionate to the stress of the matter, particularly as the transfers were for the purchase of a house. One of our investigators reviewed matters and, whilst he agreed that Wise could have provided better service, he thought the £100 offer was enough to put matters right. He also noted that Mr T had secured a more favourable rate in the end. And, he thought any fee discounts had been correctly applied to Mr T's transfers.

Wise didn't dispute out investigator's findings, but Mr T did and mostly repeated his earlier points. As an agreement couldn't be reached, the case 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.

For reference, Mr T has two complaints with this service about Wise. Many of the issues overlap. However, this decision will only address his complaint related to events of July and August 2021 and the issues that I consider to be materially relevant to the crux of that. However, I've given careful consideration to all of the submissions made to date, in relation to this complaint.

Mr T was in contact with Wise for two weeks over July and August asking questions related to his large transfer. He was told that the guaranteed rate would be secured for 24 hours once the funds had been received. Wise has since that because Mr T was attempting to transfer funds from his Wise balance, the funds were immediately available and there was therefore no need for additional time to allow funds to be deposited. Therefore, the rate expired after 30 minutes.

It's not in dispute that Mr T was given unclear information about the guaranteed rates and it's unfortunate that he lost the rate he thought he'd secured. He says that he was then left with no option but to monitor the rates over the coming hours. I'm glad to see that Mr T managed to secure more favourable rates later that day. So, on balance, I'm not persuaded that he has lost out financially here. However, I acknowledge the matter would have been stressful for him. I'll consider this in more detail later in the decision.

Mr T also says that he was given incorrect information about the supporting documents he needed to provide for verification checks. Mr T said that he was later asked to provide other documents that hadn't been made clear to him on the call. He outlined the stress and further delay this caused.

I've listened to the call Mr T had about this matter. The adviser explained that Mr T would likely need to confirm the source of his funds. I don't think this was unreasonable, given the large amount Mr T was planning to transfer. And, whilst the adviser did say the information Mr T was proposing to provide should be enough, she also said she couldn't guarantee this, given that she couldn't predict exactly what information would be needed ahead of the transfer taking place. I acknowledge that at the end of the call, Mr T confirmed what he understood would be needed, and the adviser agreed. I do think she could've reiterated that she couldn't say for certain here. However, I do think this had been made clear to Mr T earlier in the call more than once.

I acknowledge Mr T wanted to know exactly what information would be asked of him prior to the transfer, to speed matters up. However, I don't think it's unreasonable that Wise isn't able to disclose exactly what verification information would be required ahead of a transfer taking place, given that the funds hadn't yet arrived. And, as I understand it, Wise processed the transfer within hours of Mr T providing the required documents, and well within their service level agreement.

Mr T complained about the service received by an adviser on the webchat function. He said he asked specific questions, but the adviser kept repeating the same things, despite it being clear that Mr T didn't understand. Wise has acknowledged that the service provided here could have been better. And, having reviewed the webchat notes, whilst I think the adviser

was trying to support Mr T, I agree that he did confuse matters somewhat. So, I think it's right that Wise pay him some compensation for its service.

Overall, Wise has acknowledged it could have provided clearer information during the process and has offered Mr T £100 compensation to put matters right. I appreciate Mr T doesn't think this is proportionate to the stress he was caused and has also pointed out that the errors caused could have had an impact on the house purchase. However, I've not been provided with anything to suggest that this actually happened.

As mentioned, Mr T managed to secure a more favourable rate later in the day. So, having thought carefully about the circumstances, I think the £100 compensation Wise has offered is enough to recognise the stress Mr T was caused as a result of the overall service received.

As I understand it, Mr T doesn't think that the fee discount was correctly applied in August 2021. Customers get a 0.1% discount on the arrangement fee they pay if they complete transfers in excess of £100,000 in a calendar month. Mr T split his transfer into two smaller ones of £100,000 and £115,020. However, the first transfer wasn't in excess of £100,000, so wasn't eligible for the discount. And, Wise explained that by the time the second transfer had been set up, the first hadn't yet completed. Given that the discount only applies when transfers are completed, it would appear that Mr T wasn't eligible for a fee discount on the whole of the second transfer.

However, the second transfer as a standalone transfer was above £100,000. Therefore, as I understand it, Mr T would've been eligible for a discount on the proportion of this above £100,000. Having reviewed the information I've been provided with, I'm satisfied a discount was applied here. So, whilst I appreciate Mr T will have been disappointed to not receive more of a discount, I'm not persuaded based on the information I've seen that Wise made an error here. And, I can see that Wise set out its process to discounted fees in correspondence sent to Mr T the month before these transfers were completed.

Mr T has made reference to other months he thinks he was eligible for a discount. His concerns about the activities that took place in June 2021 have been addressed in a separate decision with this service. Any concerns outside of that have not yet been considered by Wise. So, Mr T will need to raise any additional concerns separately with Wise and if he remains unhappy with its response, he can bring his concerns to this service.

My final decision

My final decision is I uphold this complaint and direct Wise Payments Limited to pay Mr T the £100 it offered for the inconvenience this matter has caused him.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 2 September 2022.

Hana Yousef
Ombudsman