

The complaint

Mr D complains that Wirex Limited wouldn't release money from his e-money card account when he didn't receive a cash withdrawal.

What happened

Mr D attempted to withdraw £200 at a third-party cash machine on 18 April 2021 using his Wirex card. He says he didn't receive any money but a receipt stating that he wouldn't be debited. He wasn't able to access this money from his account until 20 May 2021.

Wirex said it hadn't made any mistake. An authorisation hold was placed on the account for 30 days. And when this was removed Mr D had access to his money. It also paid him £4 for a withdrawal fee.

Our investigator said that there was no requirement for Wirex to allow Mr D access to his money during the hold period and while the merchant involved may apply a charge. Here due a technical issue the hold hadn't been automatically removed and Mr D had needed to contact Wirex. The money hadn't been debited and so at that time no chargeback could have been raised. Having said that Mr D had explained he was in financial difficulty and needed the money. She said Wirex should recognise the period involved here and it agreed and paid him £24.48 in compensation which she said was reasonable.

Mr D didn't agree and wanted higher compensation. He had been in contact daily to try and resolve things. He would have had access to his money sooner if he had an account with a 'high street' bank. He says that this cost him £1,000 and he is struggling to get out of debt now.

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.

This service doesn't have a role in setting processes as we aren't the regulator. And I need to consider how Wirex operates, not any other financial business.

I'm satisfied based on the information provided that the way its payments are processed means that the relevant authorisation hold period was 30 days. So unfortunately, even though Mr D's cash machine withdrawal didn't conclude at the time, this payment hold was still subject to these timescales.

No actual payment had debited as Wirex was waiting for the merchant to process this. Here the hold wasn't removed automatically after 30 days but a couple of days after that. I can see a fee refund of £4 relating to this was made by Wirex on 3 June 2022 too. Following investigation by this service Wirex also agreed to pay Mr D £24.48 and this has already been made to him. So, I won't interfere with what's already been paid and how that's been calculated.

The issue I need to decide on is whether Mr D should receive further compensation. He's not supported any loss with evidence and shown that Wirex was the sole reason for this. But he says he had difficulty making important payments and got into debt. He clearly didn't have access to this money. But in view of what I've said I'm not persuaded that Wirex fairly needs to do anything more. I appreciate Mr D will be very disappointed by this.

My final decision

My decision is that I uphold this complaint on the basis that Wirex Limited should pay Mr D £24.48 as it has already done.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 28 September 2022.

Michael Crewe
Ombudsman