

The complaint

Mr N is unhappy with the information provided by Wise Payments Limited (Wise) when a transfer he made into his account was delayed.

What happened

Mr N transferred funds from his bank account into his account with Wise. However, there were delays in crediting his account with the funds. Mr N complained about the information he was provided with by Wise while due diligence checks were undertaken on the transaction.

Wise thought it acted fairly and in line with the customer agreement. It said verification and due diligence checks on payments and transfers were essential. And it said it can take between two and ten working days to process payments.

Mr N didn't accept what Wise said and brought his complaint to our service. Our investigator didn't think the complaint should be upheld. He said Wise had explained the dates given were an estimate, but unfortunately the checks needed took longer than it initially estimated. He didn't think Wise was in breach of the terms and conditions.

Mr N doesn't agree with what our investigator said and maintains that his complaint is not about the checks carried out, but the information Wise gave during the process. As agreement couldn't be reached, the complaint has been passed to me to decide.

I issued my provisional decision on 17 November 2023 in which I said:

"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 reached a different outcome to our investigator. I'll explain why.

There is no dispute there were delays in the funds Mr N transferred from his bank account becoming available in his Wise account. Wise explained this was because of due diligence checks that were required on the transaction. Wise has said it can take between two and ten days for a payment to be credited. While I accept the money did become available within these time limits, I find the information provided to Mr N could have been clearer during the process.

Firstly, I think it's important to explain that the information Wise chooses to provide on its website, in its online application, and the standard messages or emails it sends while carrying out its due diligence checks, are a business decision it is entitled to make. It's not something we as a service would look to interfere with. What I must consider are the individual circumstances of this case and whether Wise treated Mr N fairly and reasonably.

The online app indicated the transfer would be processed and the funds made available firstly on 27 August, and then later an email was sent stating funds should be available on 29 August. However, the money didn't clear into the account until three days later.

I don't find it unreasonable for there to be a short delay while checks are completed on a transaction. But I find sending a further email stating the funds would be available on 29 August, gave the impression Mr N's money would be available sooner than it was. Therefore, I'm not satisfied Wise treated Mr N fairly.

When things go wrong, what I must consider is the impact it had on the consumer. To put things right we expect Wise to ensure the consumer is put back in the position they would have been in. This means it must ensure Mr N hasn't lost out financially as a result of what's happened. And it should address any practical or emotional impact the error has had on him. I appreciate the email gives the impression the processing of the payment would have been completed on a specific day, however when this didn't happen, I'm satisfied the tracking system via the app, indicated that there was a delay in the processing of the transaction. Wise also let Mr N know it would email him once the transaction completed, which meant he didn't have to keep checking to see if it was done.

Mr N says that had he been told of the time limits for the transfer to be processed, he could have made alternative arrangements to pay his rent. But Mr N has also made it clear there hasn't been any financial impact here or further consequences as a result of the information he was given.

Mr N also explained that it would be better for the app to describe the transaction as a transfer in, rather than stating it was a transfer out of his Wise account. While I accept his point of view, I can't see this will have had any impact on Mr N, other than to cause some added annoyance.

While the information provided during the checking process could have been clearer, I'm satisfied once the funds were made available the inconvenience and frustration would have been alleviated. I understand it would have been somewhat frustrating not to know when the funds would be in the account, but I'm satisfied this was short lived. Unfortunately, using financial services won't always be hassle free and when things have gone wrong, it doesn't always follow that we would award compensation for it. Under the circumstances, I'm satisfied Wise doesn't need to compensate Mr N, but I find it ought to have acknowledged the impact this will have had on him and issued an apology..."

Mr N responded to my provisional decision and said he suffered some anxiousness and upset due to the experience which he feels was preventable. He would like Wise to pay £20 compensation for this. He also said he spent a total of £0.50 on phone calls to our service and would like to be compensated for these costs.

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've thought about what Mr N said and it doesn't change my decision. As I said in my provisional decision, using financial services won't always be hassle free, and neither is the process of making a complaint. I appreciate Mr N phoned our services, but I can't tell Wise to compensate him for any costs he incurred in doing so.

All things considered, I find the anxiousness Mr N faced was short lived and the inconvenience he experienced minimal. Therefore, I won't ask Wise to compensate him.

My final decision

For the reasons mentioned above, I uphold this complaint, and require Wise Payments Limited to issue Mr N a letter of apology.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 8 January 2024.

Oluwatobi Balogun
Ombudsman