

## The complaint

Mr K complains that Wise Payments Limited won't refund him an amount he believes he was overcharged by a merchant that he paid using his Wise debit card.

## What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

In February 2024 Mr K used an app (with 'U') to book a ride from the airport to his hotel in Dubai. Mr K says he was shown an 'estimated trip price' of AED 86 to AED 87 at the time of booking. But he was ultimately charged AED 110.50 (around £24), this was after U had provided a partial refund, as Mr K was initially charged slightly more.

Mr K didn't want to pay more than the AED 87 he says he'd initially been quoted. When he didn't get any further with U, he sought the difference (AED 23.50 (around £5)) from Wise through the chargeback scheme. Wise didn't raise a chargeback, Mr K complained and Wise maintained their position.

Mr K referred his complaint to our service and one of our Investigators didn't recommend it should be upheld. He thought Wise had acted fairly in the circumstances. Mr K disagreed and asked for an Ombudsman to review his complaint.

In May 2024 I sent Mr K an email with a view to resolving things informally, indicating I wasn't minded to uphold his complaint and explaining why. I also shared my email with Wise to give them an opportunity to comment on what I'd said. Part of my email said:

*"As I'm sure you understand, our service can only consider the actions of Wise Payments Limited, not the merchant involved (U). Wise didn't do anything wrong in applying the charge drawn by the merchant against your debit card to your account. By entering your card details onto the merchant's platform, you provided authority for them to do so. So whilst the amount may be in dispute, this is still an 'authorised' payment in terms of the relevant regulations (The Payment Services Regulations 2017 – PSRs).*

*When there is a problem between a merchant and a customer, sometimes (subject to the scheme rules), a chargeback can be raised. There is no right to a chargeback and a card provider (here Wise) doesn't have to pursue a chargeback. But we'd generally consider it good practice that a chargeback be raised if there is a reasonable chance of it succeeding.*

*In this case, Wise declined to pursue a chargeback. My role requires that I have to decide if their decision was fair and reasonable. I think it was, for largely the same reasons that our Investigator has already explained. The receipt you have provided shows the same amount that was ultimately debited. And the other evidence shows that the price you were quoted was an estimate and not a definitive agreed fixed price (even where parameters of the estimate were suggested). I agree that there was little chance of a successful chargeback in these circumstances and the terms of the Wise account are clear that they can decide not to*

*proceed with a chargeback. So whilst I appreciate you will still be disappointed, I can't say that Wise have acted unfairly here by not taking things further.*

*As I've mentioned above, I can't comment on the 'fairness' of the way in which U display their prices and operate their platform. And nothing involving your complaint about Wise prevents you from taking things further with U, should you choose to do so."*

Wise didn't provide a further response. Mr K responded to say that he still wanted a final decision, he also made some points which I'll address below.

### **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.

Some of Mr K's further comments relate to what he believes to be the illegal activity of 'U' in amending the amounts charged and providing receipts for the same. Mr K has also provided comments about how far from the quoted range the price charged was and that the word "estimate" has been too broadly interpreted. Again, these are both issues Mr K has with U and how they run their platform. I can't comment on the actions of U as I don't have the jurisdiction to do so.

Ultimately, having considered Mr K's further comments, I still don't think Wise did anything wrong when applying the charge in question against his account. And whilst the chargeback scheme can sometimes help with disputes between a merchant and a cardholder, I don't think, in the circumstances of this complaint, that Wise acted unfairly by not pursuing things further. They aren't required to raise a chargeback in all cases, and the account terms make clear that they have discretion when doing so. I don't think Wise unfairly used that discretion here and so I'm not going to direct them to do anything further.

### **My final decision**

For the reasons outlined above, my final decision is that I don't uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 26 June 2024.

Richard Annandale  
**Ombudsman**