

The complaint

A company, which I'll refer to as T, complain about poor service that it received from Worldpay (UK) Limited (WorldPay). In particular, in connection with its change of directors in 2022 and its attempt to obtain access to its account.

In bringing this complaint, T is represented by one of its directors who I'll refer to as Mrs W.

What happened

There's little dispute between the parties about the core events in this case. As I understand them, in summary, they are as follows:

- In 2019, T entered into an agreement (the Agreement) with WorldPay to provide payment services on behalf of its card paying customers. WorldPay also opened an account (the Account) on behalf of T to receive such payments.
- On 31 July 2022, a vote took place to remove all but one of T's existing directors from the Board. I'll refer to that director as Mr H, who was retained on a temporary basis. WorldPay were told about these events.
- In January 2023, new directors were appointed, and Mrs W was one of them. But because the removal of the previous directors wasn't amicable, no proper handover process to the new directors took place which impacted the new directors' understanding of a number of things including the Account.
- On 3 February 2023, Mr H wrote to WorldPay and explained that he was being replaced by Ms W, as director. And he gave WorldPay her email address for future contact. In light of this information, WorldPay began the process of updating their records and exchanges of correspondence began with Mr H.
- Around April 2023, Mrs W began taking steps to gain access to the Account. And to that end in May 2023, she began corresponding in earnest with WorldPay.
- On 3 May 2023, Worldpay wrote to Mrs W saying that her name did not appear in their systems as a director of T, and therefore they would send her the necessary information so that they could make the necessary changes to their records. WorldPay sent her the appropriate forms for completion.
- On 23 May WorldPay again wrote to T saying:
"During our checks we've identified a change within your business ownership/structure.

Before we can update your account, we just need some more information:

- *Beneficial owners form – Required for ALL directors /Committee members, financial controller, chairperson & CEO; also please confirm who holds the position of financial controller, chair & CEO.*
- *Minutes of Meeting – Please provide minutes from most recent meeting showing attendees”*
- On 23 May Mrs W responded to say that some of her colleagues were away but that she was still collecting the information that WorldPay had requested.
- On 7 June 2023 Mrs W returned the forms she’d been sent, duly completed.
- For much of June 2023 there were various exchanges of correspondence between Worldpay and T, mainly WorldPay asking for more information or clarification of the information Mrs W had sent them.
- On 26 June Mrs W chased WorldPay regarding their progress.
- On 13 July 2023, WorldPay asked T to:
 - “confirm the average lead times for the payments to be taken through Worldpay facilities/terminals only, using the following as a guide, to a total of 100%”:*
- And on 27 July WorldPay again reverted to T to ask for the date of birth of one of T’s directors which hadn’t been included in the information they received.
- The process for changing T’s directors on WorldPay’s systems was completed on 31 July 2023 and Mrs W was then in a position to access and discuss the Account.
- Mrs W, however, complained to WorldPay about their service. She believed it to be poor in the following respects – ie that WorldPay:
 - Were slow in following up the information T provided to them and were difficult to contact to discuss the Account.
 - Asked for information that wasn’t necessary and in some instances was more appropriate to an unincorporated association which T was not.
 - Omitted to request all the information they needed at once – instead they did so sequentially which led to a more prolonged process.
 - Asked for information regarding the business that she could not reasonably have known because there was no proper handover between the old and new directors.

Mrs W said T was adversely affected by the length of time it took to complete matters. In particular because T had to finalise its annual accounts for year ending March 2023 without seeing relevant information. And she said T incurred costs and was inconvenience too, because of phone charges that were incurred through the various calls she had to make to WorldPay and the time she had to spend responding to WorldPay’s demand for information. WorldPay didn’t think they’d done anything wrong, acted improperly or unfairly. They said –

in summary that:

- After they were contacted in 2022 regarding a change of T's directors, they made several requests for information to update their records. And although some of the information was received, in March 2023, T stopped responding to further requests for information. WorldPay therefore viewed the Account as dormant – meaning there was no ongoing activity.
- When in May 2023, Mrs W reached out to WorldPay to obtain access to the Account, they emailed Mrs W with the requirements needed for them to update their records with details of the new directors.
- In circumstances where significant changes to a business are brought to their attention, they have certain legal and regulatory obligations to fulfil - including ensuring that the details held for the business are accurate. And although Mrs W has made clear her dissatisfaction regarding that process, there is no evidence indicating WorldPay acted improperly or unfairly or caused any unnecessary delay at any stage throughout the process.
- From time to time, WorldPay did reach out to T for more information. But that's because they wouldn't be aware of what further information is required until their Account Support Team checked the information provided. Whilst appreciating this can be frustrating, there is no strict timescale in which requests of this nature are required to be completed.
- There was no settlement deferral applied to the Account at any stage, nor was there any action taken to deactivate the Account at any point.
- So, other than having to comply with their request, in accordance with their contractual obligations to do so, T would not have been impacted by WorldPay's process. So, compensation, or any financial award would not appropriate

As T's complaint remained unresolved, Mrs W referred it to this service to look into.

Our investigator didn't uphold the complaint. In summary – she said:

- She didn't think WorldPay made any errors or caused unnecessary delays when carrying out the process to change T's directors in their records. And neither did she believe it was unfair for WorldPay to ask T, as WorldPay did, for further information before being able to implement the changes that were needed.
- She noted there was a period in which there was no contact between WorldPay and T, but she didn't think that was due to any delay on WorldPay's part. She observed that once contact with WorldPay resumed fully in May 2023, the change of directors on WorldPay's systems happened within a reasonable time.

T didn't accept the investigator's conclusion and on its behalf Mrs W has asked for an ombudsman's review of T's case. In doing so, Mrs W made detailed and extensive further submissions in support of T's case. I summarise, what in my opinion are the main points.

Mrs W said:

- If WorldPay felt they needed to carry out more extensive checks in connection with T to meet their obligations, that was a matter for them. But there were no changes in T's structure. In other words, T remained a company limited by guarantee with no one exercising 25% or more of the voting rights. This was apparent from the records at Companies House and WorldPay were told this. So, in WorldPay's request for information, T should not have been asked questions that were framed as though it was an unincorporated association.
- Carrying out changes to the directors of a company is simple. The forms WorldPay sent to T were straightforward and the completed forms were returned as soon as she was able to collect them. But there were long delays by WorldPay in processing the information T provided. This was considerably longer than comparable organisations that are subject to similar obligations.

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.

Before I come to the substance of my decision, I should mention a couple of things regarding my approach to this case.

Firstly, I'm aware that since our investigator gave her opinion, new matters have arisen. In particular, concerning T's access to other accounts that were held with WorldPay. I note that on 4 April 2024, T's Director of Finance wrote to WorldPay requesting access to those accounts. In June 2024, with the help of this service T's director was granted such access.

But Mrs W has told us this also took too long and further demonstrated WorldPay's continued poor service. She has asked me to also consider this event as part of this complaint.

However, after thinking about this carefully, I don't propose to do so. That's because under the rules by which we operate, known as the Dispute Resolution Rules or DISP, specifically DISP 2.8.1, I can only consider a complaint if it has been referred to the respondent business first and they in turn have issued the complainant with a final response letter. This hasn't happened here. But T's Director of Finance, has told us he intends taking this up with WorldPay separately – including submitting a claim to them for certain wasted payments arising from this matter.

Secondly, I'm satisfied that in substance, this case is about WorldPay's alleged delay in completing the process of updating their records to reflect T's change of directors and in turn granting Mrs W access to the Account. As I've already mentioned, I note that Mrs W has made quite substantial submissions to this service on the matter both before and after our investigator issued her opinion.

I confirm to Mrs W that I have read those submissions in full, but I have not set out my findings in the same level of detail. I mean no discourtesy by that; it simply reflects the informal nature of the Financial Ombudsman Service. In any case as an ombudsman my role is to identify and respond to the substance of a complaint against a respondent firm. I am not required to respond to every single allegation raised, and I have not done so here.

Turning now to the substance of my decision, focussing as I've explained, on the time it took WorldPay to amend its records to reflect the change in T's directors and ultimately Mrs W gaining access to the Account.

The period that I think is relevant is between 7 June 2023 when Mrs W first returned the relevant forms to WorldPay and 31 July 2023 when the process was completed.

Within that specific period, the timeline appears to be this:

- When Mrs W returned the forms to WorldPay on 7 June 2023, as she explained she'd omitted to send the Board minutes she was asked to provide. Nonetheless, as she explained in her testimony, she confirmed the start and end time of the relevant Board meeting.
- On 9 June 2023, WorldPay asked for details of T's financial controller, its chair and CEO and once more, Minutes of T's recent Board meeting. By return Mrs W confirmed those details albeit she further explained to WorldPay that she'd previously been told there was no need to send the actual Board Minutes.

However, I can see WorldPay continued to insist on the Minutes being provided and on 13 June 2023 wrote to T saying:

"We require up to date minutes to confirm who are the active committee members.

Alternatively, if minutes are not available, please confirm via email the full names of all committee members and positions held within the club.

If any additional committee members, please complete the attached beneficial owners form. The form does not require signatures"

- On 13 June Mrs W responded to say:

"We are a company limited by guarantee and have directors, not committee members as would be the case for an unincorporated association. You have received a complete set of forms for every director, each of whom is registered as a director at Companies House. Your colleague asked for the start time and end time of our most recent board meeting as well and I have provided these."

And as noted above there were requests on 13 and 27 July 2023 for other items of information before the process was completed on 31 July 2023.

Mrs W has submitted that since all she wanted was to have access to the Account, this should have been a simple enough process. Whereas it is WorldPay's case that by the time Mrs W began actively corresponding with them, they had already been notified about the change of directors. And given how significant the changes were, they were obliged to ensure that all details that were held by them were up to date and accurate before making any other changes.

I don't think that position is an unreasonable one. Not least because the process for updating their records were already in play and was only halted when in March 2023 further correspondence from T ceased.

I appreciate that Mrs W's main concern when in May 2023 she began conducting matters on T's behalf was largely to gain access to the Account. But I don't think I can fairly say WorldPay were wrong to seek to complete the process for changing T's directors on their

systems first, in order to ensure they had all the up-to-date information as well as other associated details.

That being said, I've thought carefully about Mrs W submission that the process was unduly lengthy because of WorldPay's propensity to request information sequentially rather than everything at once.

Mrs W is right that not all the information WorldPay required was requested at the same time. And I agree with her that the request for information was indeed sequential. WorldPay have acknowledged this, and they also acknowledge that as a result the timescale for completing their process can be affected.

But for me to require WorldPay to compensate T in such circumstances, I'd need to find it was unreasonable for them not to ask for all the items of information they needed in one fell swoop. And furthermore, that such an omission meant they acted unreasonably in their dealings with T. I don't think a finding of that nature would be fair.

WorldPay have said that in part the process they were undertaking was in fulfilment of their legal and regulatory obligations. In particular to make sure they had correct and up to date information about their customer T.

Mrs W does not take issue with that. I think WorldPay were entitled therefore to be circumspect in ensuring they asked for and received such information as they deemed necessary to discharge their obligation. To the extent that might have involved asking for more information during the process is not something I could reasonably criticise them for. Especially because I don't think it is unreasonable that they wouldn't be aware if further information or clarification is required until such time as checks are carried out on the information, Mrs W provided to them.

I also thought about Mrs W's submission that the review of the information when received could have been more speedily done. And indeed, that the process might have been better served if WorldPay's questions were more suited to T's actual structure.

I agree that some of the questions WorldPay asked T, in particular in their email of 13 June 2023 were not as tailored as otherwise might have been appropriate. I take the point for example that WorldPay's reference to T's committee members when T is a company, showed on the face of it a lack of understanding of T's structure. And there seemed to have been some miscommunication regarding the need to provide full Board minutes or whether confirmation of the start and end time of the relevant meeting would suffice. But Mrs W was quick to clear this up with Worldpay as well as making clear the true nature of T's structure. I've seen no persuasive evidence to suggest either of these contributed to significant delays in the process that was underway.

I did note that there was a period between 13 June and 13 July 2023 when Mrs W did not hear further from WorldPay despite chasing on 26 June 2023. I did think about whether in the circumstances that could be construed as significant delay. But on balance I do not.

But even if I'd taken a different view, and concluded WorldPay did cause significant delay here, I would then need to think about what the impact was.

WorldPay's testimony, which Mrs W does not challenge is that there was no settlement deferral applied to the Account at any stage throughout the process and, nor was there any action taken to deactivate the Account at any point. In other words, the Account operated normally.

Mrs W's submission, however, is that one of the consequences of T's overall delay was that it was not possible to finalise T's annual accounts for year ending March 2023 because important information about the Account was not accessible.

But I've seen no clear evidence WorldPay were put on notice that T was in the midst of preparing its accounts and therefore it was essential for Mrs W to be given access to the Account to be able to complete the preparation. Or alternatively, if such notice had been given, that Worldpay failed to cooperate with Mrs W to achieve that limited and specific purpose.

I have some sympathy with Mrs W that having to provide WorldPay with various items of information was inconvenient. But I think that was an inevitable consequence of the process overall and I don't think I could fairly award compensation for it, or costs associated with it.

So, after considering this case very carefully, I've come to the same overall conclusion as the investigator and for broadly the same reason. I've not been persuaded that in the circumstances of this case WorldPay caused significant delays.

I acknowledge that Mrs W will be very disappointed with my decision. But having taken all the evidence into account, including the further evidence she provided after our investigator issued her opinion, I've not been persuaded to uphold this complaint.

My final decision

For the reasons I've explained above, my final decision is I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask T to accept or reject my decision before 16 December 2024.

Asher Gordon
Ombudsman