

The complaint

Mr W complains about CB Payments Ltd's administration of electronic money (e-money) accounts he holds in a number of currencies.

What happened

Mr W holds balances in various fiat currencies and cryptocurrency, which he accesses via an online platform operated by "C". Some of those balances are e-money accounts provided to Mr W by CB Payments. Mr W raised several concerns with C relating to his balances, including those he holds with CB Payments, which can be summarised as follows:

- He wasn't being provided with consistent or accurate balance information
- The transaction records provided to him were inaccurate
- He wasn't able to redeem an e-money balance in a timely fashion
- When withdrawing certain funds, C didn't withdraw the amount it stated, deducting undisclosed fees
- Interest on his interest-bearing products hasn't been correctly calculated

C provided Mr W with a number of responses to his concerns, containing a range of settlement proposals, which Mr W didn't find acceptable. He referred his complaint to us.

Our investigator noted that our power to deal with Mr W's complaint was limited to the concerns he'd expressed about his e-money accounts with CB Payments. The issues Mr W had raised about interest and certain of the transaction discrepancies he'd mentioned were in relation to accounts that weren't e-money accounts operated by CB Payments. As our jurisdiction didn't extend to C, our investigator concluded she couldn't deal with those aspects.

In relation to the balances that were e-money accounts provided by CB Payments, the investigator wasn't persuaded that the balances were inaccurate, but found that Mr W had been unfairly prevented from accessing funds due to an internal cache issue, since acknowledged by CB Payments. She didn't find evidence of CB Payments charging hidden fees. However, she did find a lack of accuracy in transaction statements CB Payments had issued, which had remained unresolved by replacement statements.

The investigator considered that in light of the shortcomings identified, it would be appropriate for CB Payments to pay Mr W interest on the funds he'd been unable to access, along with £800 compensation for the distress and inconvenience he'd experienced.

CB Payments agreed to the investigator's recommendation. But Mr W didn't accept it. He said the problems with the accuracy of his balances had continued, citing further examples since he'd raised his complaint. Mr W added that the inability of CB Payments to provide accurate transaction information was preventing him from being able to calculate his tax liability, and that CB Payments should be required to compensate him for any fees or charges he incurs in this respect.

Mr W further questioned the extent of our jurisdiction, referencing the services within his user agreement with CB Payments. He queried the investigator's conclusions over the accuracy

of the e-money balances and the availability of funds, and ultimately, as he couldn't accept the findings reached, asked for this review.

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'll address here Mr W's query over our jurisdiction. CB Payments is an electronic money institution covered by our compulsory jurisdiction. Under that jurisdiction I can deal with a complaint from him about CB Payments insofar as it is in connection with the payment services and issuance of electronic money to him.

That includes matters such as the redemption of e-money, including fees for doing so and the time taken. It also includes information provided to him about payment services transactions undertaken in respect of his e-money accounts, such as monthly statements and fees.

Given that's what our investigator's assessment covered, I'm not entirely clear on why Mr W appears to suggest this was different from the services set out in his user agreement with CB Payments. However, I hope this clarification assists him.

I now turn to the underlying complaint. I appreciate Mr W's strength of feeling about matters. But in light of certain of his comments I think it's important to clarify the role of our service. We provide a form of dispute resolution as an alternative to the courts, for users of financial firms to have their complaints considered. But in doing so, we don't provide an auditing or regulatory function. Rather, we consider the evidence and arguments and, where appropriate, we express our opinion on how best to resolve matters.

A complainant isn't obliged to accept our findings, of course. And I recognise Mr W makes some fair points when he notes that CB Payments has acknowledged inaccuracies in the balance statements it provided (and continues to provide) to him, and in delays in its processes that affect his ability to access funds. That was noted by our investigator.

But Mr W hasn't demonstrated with any greater degree of accuracy what those balances should be, or why he should be entitled to a larger amount of compensation than our investigator proposed (and CB Payments has agreed to pay him).

For example, he hasn't offered persuasive evidence that CB Payments has applied fees, disclosed or otherwise, to his e-money transactions. And I can't properly tell CB Payments to compensate Mr W further on the basis that he might incur unspecified fees or charges in relation to a tax return he has to submit. Mr W can presumably avoid any such charges provided he takes reasonable care to ensure his submissions are as accurate as possible, given the limitations he can evidence about the accuracy of the CB Payments statements.

I don't doubt that the situation has been frustrating for Mr W, and has caused him no little concern. He's been put to unnecessary inconvenience in pursuing accurate statements and transaction records, and I share his view that this really should be a basic expectation a customer might have of its financial services provider.

It's only right that CB Payments compensates Mr W for this frustration and inconvenience. And it should take steps to provide Mr W with an accurate record of his e-money

transactions in line with its obligations under relevant regulations¹.

I've noted that the resolution our investigator proposed included an element of interest (calculated at 8% simple per year) based on Mr W being unable to access €37.19 in funds for around three months. That interest totals around £0.80. CB Payments has agreed to pay this amount along with the £800 our investigator recommended for Mr W's distress and inconvenience.

I appreciate Mr W might remain disappointed with this resolution. But having considered all that's been said and provided, I'm satisfied that amount is sufficient in respect of those aspects of Mr W's complaint that I have the power to deal with. For clarity, nothing I've said here is intended to limit or otherwise restrict any other claim Mr W might have in relation to those matters falling outside our jurisdiction.

My final decision

My final decision is that to settle this complaint, CB Payments Ltd must take the following steps:

1. provide Mr W with an accurate record of his e-money transactions, taking reasonable steps to prevent future discrepancies
2. pay Mr W £800 and £0.77 pence, to be credited to his nominated bank account, subject to Mr W providing this information along with his acceptance of this decision

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 26 December 2024.

Sarita Taylor
Ombudsman

¹ Part 6 of the Payment Services Regulations 2017 sets out information requirements for payment services