

The complaint

L, a charity, complains that Wise Payments Limited unreasonably closed their account without any notice or explanation. They would like the account reopened.

What happened

L held an account with Wise for several years.

In July 2024 L let Wise know they expected to receive a significant sum of money into their account. Wise responded to ask for some information regarding their account activity. L provided some documentation, but after review Wise decided to close the account without any further notice.

Unhappy with this L complained and filed an appeal. Wise responded to say that they had closed the account in line with the terms and couldn't provide any further details. They asked for account details to send the remaining balance.

L then referred their complaint to our service – saying they felt they had been discriminated against because of the areas they operate in. One of our investigators looked at what happened but didn't think Wise needed to do anything further. She thought the closure was in line with the terms of the account. And she thought that while there was obligation on Wise to explain to L why the account was closed, she didn't think L had been discriminated against.

However L disagreed, so the complaint has been passed to me to decide upon.

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.

Wise have a broad commercial discretion in who they provide accounts to, and on what terms. It would be rare that our service would say a financial business ought to continue to service an account, when they've made the decision to close it unless this was the result of an obvious error. Instead, we'd look to make sure any decision was reached fairly, and the closure conducted in line with the terms of the account. But ultimately, it's up to Wise who they choose to provide account services to.

In this case, they decided to close L's account with no prior notice after conducting a review and receiving several documents from L. There's no specific obligation on Wise to explain to L why they've made the decision to close an account – and often it's not down to a single issue, but a mix of various factors. But Wise have provided more reasoning to us.

The rules of our service allow us to receive certain evidence in confidence, such as if it is commercially sensitive, or involves security details or information about third parties. In this case, I'm satisfied that Wise's full reasoning for closing L's account should remain confidential. I'm sorry to L, but it wouldn't be appropriate for me to detail it in full here.

But having considered Wise's reasoning, along with the information L has provided, I'm satisfied that it was reasonable to close L's accounts in the manner they did. I've no doubt this was disruptive to L, but there's always likely to be a degree of disruption when an account is closed. But I can see from the statements the account was not in regular use beforehand. I see that the closure was in line with the terms of the account.

I appreciate L would like to know more – and I can see why in the absence of any other information they may feel this was an issue of being discriminated against. The primary legislation in the UK that deals with discrimination is the Equalities Act 2010 – although this act is very clear that only a court can reach a determination that the act has been breached. But here I have considered what L has said seriously. Overall though I've seen nothing to suggest that Wise's decision was down to any protected characteristics associated with L, or any of the staff or trustees. I'm satisfied the closure decision was a legitimate commercial decision that Wise are entitled to make.

I can see that the remaining funds were returned to L in a reasonable time, and I'm satisfied there were no unreasonable delays. So, while this was clearly a frustrating experience for L, I'm not persuaded Wise have done anything wrong, or need to do anything further.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask L to accept or reject my decision before 15 April 2025.

Thom Bennett
Ombudsman