

The complaint

A company, which I will refer to as H, complains that SumUp Payments Limited delayed processing a card reader refund.

What happened

In early 2025 H had a merchant services agreement with SumUp, which SumUp decided to terminate. SumUp offered H a full refund for its card readers, which had been purchased from a third-party retailer. This complaint is solely about SumUp's delay in processing that refund.

On 29 March 2025 SumUp emailed H to explain the refund process. It said:

'Once we've received your card reader, the full amount of the device will be refunded to your bank account within 3 weeks'.

H sent the card readers to SumUp shortly afterwards, and SumUp confirmed they had been received on 3 April 2025. By 23 April 2025 H had still not received any money, so its director emailed SumUp to chase payment. SumUp replied on 25 April 2025 to say the payment had now been processed and would be reflected in H's account within one to two business days. H's director told us that payment of £79.98 was received on 29 April 2025 – more than three weeks after SumUp had confirmed receipt of the terminals.

H's director complained on the basis that SumUp had not met its promise of a refund within three weeks. She said the delay meant H was unable to buy new card readers, purchase raffle tickets and market an upcoming event, causing H to lose out in ticket sales.

Sumup said that whilst the refund wasn't made within the three weeks which was initially advised this is an average refund processing time. It also said that it processed the refund on 25 April 2025, very shortly after H's director had told it on 23 April 2025 that the refund hadn't been received .

H's director remained unhappy and asked the Financial Ombudsman to look into the matter.

One of our investigators looked at H's complaint but did not uphold it. He said that whilst the return fee for a card reader isn't within the terms of the agreement, he thought a three-week turnaround to refund the fee after receiving the card readers was reasonable.

He considered the slight delay in returning the funds and the financial impact H's director said this caused. He asked for evidence such as bank statements to support her comments but did not receive any. He considered H could purchase a new card reader and obtain raffle tickets after the refund albeit later that H wanted to. And he thought it would be unfair to request that SumUp reimburse H for losses that he couldn't adequately substantiate.

In addition, our investigator wasn't persuaded that H would be in a more favourable financial situation had the refund been issued a few days earlier. Overall, he didn't think the slight delay had caused a loss to H.

H's director did not accept our investigator's findings. She said she was promised that the money would be returned in 48 hours, and she asked for the matter to be referred to an ombudsman.

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.

Whilst I'm sorry to further disappoint H's director, having done so I've reached the same conclusions as our investigator, for largely the same reasons.

SumUp offered a card reader refund to H after SumUp terminated the merchant services agreement between H and SumUp. The card readers in question did not belong to SumUp; they were purchased from a third-party retailer. The return and refund process therefore did not form part of the terms of the merchant services agreement.

My role is to think about the individual circumstances of this complaint, whether SumUp's delay was unreasonable and whether it acted appropriately once notified the payment hadn't been received. I also need to consider whether H has suffered a loss as a result of any delay on SumUp's part.

Everyone accepts that SumUp did delay processing the refund. SumUp told H's director that the refund would be in H's account within three weeks or 21 days, but the funds took almost four weeks to reach H's account. It's possible that the refund would have taken even longer if H's director had not proactively chased SumUp for the money.

I can see that SumUp told H's director on 25 April 2025 (a Friday) that the refund "can take from 1-2 business days to reflect in your account balance". She told us that she received the money on 29 April 2025, which is more than 48 hours from 25 April 2025 – but was within the one to two business days that SumUp promised.

Overall, I think SumUp did take too long to process the refund. I don't criticise it for the time it took to process the refund after H's director contacted it on 23 April 2025, but I don't think she should have needed to send that chaser in the first place. However, I would only award compensation if the delay caused H to suffer inconvenience or financial loss.

Our investigator asked H's director for evidence to substantiate the inconvenience and loss to H, and I am satisfied that she has had a fair opportunity to provide us with evidence. I have carefully considered her comments, but I am not persuaded that she has demonstrated that the relatively short delay in receiving a payment of less than £100 caused H to suffer material inconvenience or financial loss. As a result, I don't think it would be fair for me to order SumUp to pay any compensation to H.

My final decision

For the reasons I've given above, I don't uphold this complaint against SumUp Payments Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask H to accept or reject my decision before 22 December 2025.

Laura Colman

Ombudsman