

The complaint

Miss K complains that Wise Payments Limited was responsible for long delays in receiving an international payment into her account.

What happened

On 9 April 2025, Miss K applied to Wise so that she could receive a large sum in U.S. dollars (USD) to be converted into Pounds (GBP), in respect of a deposit for a flat. She was advised that the amount to be received was \$4 short of the amount requested, and that she should either pay the extra, or reduce the figure requested. She tried to do this on her app but it wouldn't let her. So she contacted Wise by phone, and she agreed to change the figure to reflect the amount sent. However the agent was unable to do this and said they would have to raise it with the appropriate team which would take one to two days.

Miss K didn't want to wait, so told the agent she was going to cancel the transaction. When she had done this, she asked how long it would take for the refund to be received and she was told 5 to 10 days. She was obviously very unhappy with this and felt that the agent should have warned her.

There were then further delays as Wise's partner bank couldn't transfer the money back because it didn't have the details of the account to refund to. It took a week to tell Wise this. Unfortunately Wise then delayed until 28 April before telling Miss K about this and how to put in her refund details.

Wise says that such refunds should take between one to three working days, however due to what it has described as internal escalation issues the refund was not sent to the appropriate team to administer. Miss K had to enter details of the refund again on 16 May. But the same issue occurred and she had to supply the refund details again. The transfer was finally completed on 23 May.

Wise advised that Miss K went ahead with cancelling the transaction without involving the agent. However, it admitted that it was responsible for poor customer service. Miss K was incorrectly advised on 30 April 2025, that the refund was completed. And she was incorrectly instructed to re-enter her refund details on multiple occasions. Wise offered the following compensation:

- Payment of interest at 8% on the payment from 9 April until 23 May, which it calculated to be \$405.55.
- Compensation of \$300 for distress and inconvenience.
- A refund of the fees involved in converting the funds to GBP of \$141.74.

On referral to the Financial Ombudsman Service our Investigator said they thought that what Wise had offered was in line with what we would expect, so they wouldn't be asking Wise to take any further action.

Miss K disagreed, particularly as she believed she had lost over £2,000 due to the differences in the exchange rate on the respective dates. She also felt that her

neurodivergence should be taken into account in respect of her understanding of advice.

I issued a provisional decision. In it I said that it would be fair for Wise to pay the difference in the USD-GBP exchange rates between 9 April and 23 May 2025. Using the rounded rates I thought Wise would have used at the time, I calculated this to be £2,056.

Wise didn't agree with my findings. Whilst accepting that a payment should be made in respect of the difference in the exchange rates, it said that it wasn't at fault for the initial delay when Miss K cancelled the transaction. It proposed that the exchange rate should be used as from 16 April. It further said that as Miss K didn't convert the full amount that was released to her Wise account on 23 May 2025, it proposed payment based on the sum actually converted.

Miss K, whilst agreeing my provisional findings, didn't think I'd used the correct exchange rates. She further said that she converted the initial sum on 19 June, then the balance after the weekend, three days later.

The matter has been passed to me for an Ombudsman's consideration.

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.

The following were my provisional findings:

“As I'm required to do, I've had in mind relevant law and regulations, regulators' rules, guidance and standards, codes of practice and (where appropriate) what I consider to have been good industry practice at the relevant time. In keeping with the informal nature of this Service, I don't consider it necessary to go through which of those may apply in this case.

Essentially Wise has accepted responsibility for the delays which occurred throughout the process. This started with what should have been a simple process of either adding \$4 to the payment or altering the figure to reflect the amount received. I think Miss K rightly expected this to be resolved when she contacted Wise. It appears to me it couldn't be resolved because of a technical issue which had to be referred to the appropriate team to resolve.

So it's not surprising that Miss K decided to cancel the payment. I take Wise's point that she did that straight away, without involving the agent, though according to Wise's evidence this should have taken one to three days rather than the five to ten days quoted by the agent. In my view as this was roughly the same time needed to refer to its technical team, I can't say the delay was in any part Miss K's fault. And as I understand it if she had been told to request a transfer back to her Wise account rather than her original bank account the money could have been received back practically straight away.

The rest of the delay was as I've set out above due to failures to escalate matters as appropriate and a failure to keep Miss K informed. In my view it is fair to hold Wise to be at fault for the whole delay period from 9 April until 23 May.

I've also noted the failures in customer service when Miss K was incorrectly told to re-enter her refund details multiple times, at one stage told the payment had gone through when it hadn't, and the failures in communication.

This leaves the question of the appropriate compensation. I've worked on the basis that Wise normally expects international payments to be received the same day. There doesn't

seem to me to be anything unusual in Miss K's transaction that might suggest otherwise.

Miss K should be put in the position that she would have been if the monies had been received on 9 April 2025, I think the difference in the USD – GBP exchange rates should be taken into account. Using the rates I think Wise is likely to have used I think the rates for 9 April were \$1 = £0.78. And for 23 May \$1 = £0.74. The difference that Miss K received into her account on this basis was £2,056. I think Wise should pay that amount in compensation for financial losses. Miss K would have incurred the fees any way, and this is to replace the proposed payment of interest.

As regards distress and inconvenience, there's no evidence that Miss K she told Wise about her neurodivergence. And since she would have had to say what her particular needs were, I can't take that into account. In this case there were repeated errors by Wise which caused significant anxiety in my view over a six-week period. I don't think the payment should be in USD, unless Miss K specifically wants that. I think £250 is appropriate."

In light of the parties' responses to those findings, which I've set out above, I've reviewed matters.

When Miss K's transfer failed to go through initially, she received from Wise the following information in an email:

"We'll get started on your transfer when we've received the full amount from you.

Here's what you can do next:

- *Pay the rest.*
- *Shrink your transfer so you're sending less.*
- *Cancel your transfer and get a refund."*

When she couldn't carry out the first two options, she called Wise, as I've set out above. Because of a technical fault the adviser wasn't able to carry out either of the first two options. As she needed the money for a flat purchase, I can understand why Miss K proceeded to the third option. And whilst I understand that she didn't ask the adviser about time limits, she did tell them she was cancelling and they didn't respond. I appreciate also that it might have been unrealistic to expect the refund to be made straight away. But that is something Wise or someone with experience of carrying out such transfers will know. Miss K couldn't in my view reasonably have been expected to know where the funds were or what stage the transfer had reached.

We don't know how long the technical fault would have taken to remedy, but it appears to me that, given the conflicting information Miss K was given about time periods, it's likely the subsequent delays and failure to progress would have happened anyway. I've noted that there was a big drop in the exchange rate over the period 9 to 16 April and Wise's proposal in my view would harshly penalise Miss K which, in light of the fact that it was its failure that caused the situation, would be unfair. And I also bear in mind that Wise's offer when the complaint was referred to this service was to pay interest from 9 April. So I think it appropriate for Wise to pay the difference in exchange rates between 9 April and 23 May.

On 19 June 2025, Miss K converted \$50,145.00, rather than the full amount of \$51,393.70 that was released to her Wise account on 23 May 2025. Wise asserts that the exchange rate should be calculated on the former sum. However Miss K tells us that she converted the remaining amount after the weekend, as she needed to transfer the money to her solicitors for completion of a flat purchase in two transactions. I think it fair to base the exchange rate calculation on the full sum transferred to the account.

I will use the dates of 9 April and 23 May 2025. I understand Miss K's point that the monies were transferred after 7:00 pm on 23 May, but I understand that Wise's rates apply from midnight to midnight for each day. As to the actual exchange rates, Miss K and Wise have shown us slightly different rates. According to Wise's website for its exchange rate history, it uses the "Mid-market exchange rate". We have shared this information with Miss K. Using that website's information for the exchange rate on the respective dates, for 9 April this was \$1 USD = 0.7821 GBP, and for 23 May it was \$1 USD = 0.7452 GBP. I think it's fair to use those rates.

In my provisional findings I did advise that Miss K would have paid the fees anyway, so I have deducted them in my calculation which is as follows:

1. Rate on 9 April 2025: 0.7821
USD amount: \$51,393.70
Fee deducted: \$141.74
Total to convert \$51,251.96

Conversion: $51,251.96 \times 0.7821 = \text{£}40,084.16$ (rounded to nearest pence)

2. Rate on 23 May 2025: 0.7452
USD amount: \$51,393.70
Fee deducted: \$141.74
Total to convert \$51,251.96

Conversion: $51,251.96 \times 0.7452 = \text{£}38,192.96$ (rounded to nearest pence)

Difference between 1 and 2 = £1,891.20

So, I think that Wise should pay £1,891.20 in respect of Miss K's financial losses.

In all other respects I remain persuaded by my provisional findings, including the award of £250 compensation for distress and inconvenience. Those findings are now final and form part of this final decision.

Putting things right

Wise should pay £1,891.20 in respect of Miss K's financial losses, and £250 compensation for distress and inconvenience.

My final decision

I uphold the complaint and require Wise Payments Limited to provide the remedy set out under "Putting things right" above.

Ray Lawley
Ombudsman