

complaint

Mr P complains about the time TransferWise Ltd took to transfer a payment on his behalf.

background

On 17 October 2017, Mr P opened an account with TransferWise. He set up a payment request for a transfer to a beneficiary account in India. The money he deposited for the transfer came from Mr P's business account – but the transfer was set up from a personal profile.

TransferWise emailed Mr P and asked him to switch the transfer to a business transaction (because the payment was from his business account). They also gave him the option to cancel the payment. But Mr P decided to continue and made the necessary changes the next day (18 October 2017).

Mr P phoned TransferWise on 19 October 2017. He wanted to know how long the transfer would take because he'd seen from TransferWise's advertisement that it should be sent the next working day. TransferWise explained the transaction would likely complete on 24 October because of the bank holidays in India. They gave Mr P the option to cancel the transfer but he decided to continue with it.

On 23 October 2017, TransferWise sent the payment to the beneficiary account.

Mr P complained – he wasn't happy with the time TransferWise took to make the payment and he didn't think they should have taken money from his account until they'd verified the funds. TransferWise responded to Mr P's complaint and said their terms of use state that transfers can take up to 2 working days so they'd acted in line with their process.

The adjudicator who looked into Mr P's complaint thought TransferWise had acted in line with their terms and conditions – and he didn't think there had been any delays based on the circumstances. Mr P disagreed – he thought the investigator had misunderstood his complaint. In particular he said;

- TransferWise shouldn't have taken the money from his account without verifying it first;
- Mr P could have used another provider to transfer the funds and they had already verified him;
- he thinks he is entitled to compensation because of TransferWise's inefficiency and incompetence.

I sent my provisional decision about this case in February 2018. I said;

the time taken to transfer

I've looked at the terms of use which Mr P would have agreed to when he decided to open an account, and ask TransferWise to transfer money on his behalf. Section 12.8 states;

“12.8 Completion time of your payment order. The estimated completion time of your payment order is notified to you when you complete the setup of your payment order. You

may also find further information about the completion time in the FAQ section of our Website, please refer to the applicable currencies in your payment order.”

*I’ve looked at the frequently asked questions which form part of the terms of use, and are available on TransferWise’s website. I’ve looked at the specific section which related to sending money to India – as that reflects Mr P’s transaction. It clearly explains that delivery time is one working day after payout. And it goes on to state that TransferWise can take up to two working days (affected by holidays in both the sending **and** receiving countries) to convert funds from receiving the deposit.*

I’ve considered this alongside when Mr P set-up his transfer – on 18 October 2017. I’m aware that 19 October and 20 October 2017 were bank holidays in India, and 21 October and 22 October 2017 were non-working days (the weekend) in the UK. The money was sent and received in the beneficiary account in India on 23 October 2017. Therefore, I’m satisfied TransferWise acted in line with the terms so I don’t consider they’ve acted unreasonably or inefficiently.

I recognise Mr P says he could have used another provider who had already verified his details to make the transfer. But I can only consider what has happened – and Mr P chose to go ahead with TransferWise. In considering their actions, I don’t think they took an unreasonable amount of time to make the transfer.

verifying the payment

Mr P doesn’t think TransferWise should have taken money from his account without verifying it first. I haven’t seen anything to show TransferWise took the payment from Mr P’s account. Mr P transferred the money to TransferWise to allow them to make the transfer to India on his behalf.

I’m aware TransferWise asked Mr P to switch the transfer to a business transaction as the payment Mr P had sent them came from a business account. I think TransferWise were entitled to do this to ensure the deposited funds and the profile for the transfer matched. I also don’t hold TransferWise responsible for causing any unnecessary delays by doing this. I say that because they emailed Mr P the same day they received the funds from him.

So, I didn’t think TransferWise had acted unreasonably.

Mr P didn’t respond to my provisional decision.

TransferWise did respond – they said; “the only further comment I would add is that I note that the provisional decision still makes reference to Mr P’s assertion that we ‘took’ or withdrew the funds from his bank account, whereas of course as previously discussed and evidence provided, the payment was an FPS (Faster Payment scheme) payment made to us by Mr P himself, as we do not withdraw funds from our customers’ UK bank accounts (or, indeed, have the ability to do so).”

my findings

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

I note the comment TransferWise has made. In my provisional decision, I stated that I hadn't seen anything to show TransferWise took the payment from Mr P's account. Therefore, I'm satisfied Mr P transferred the money to TransferWise to allow them to make the transfer to India on his behalf.

Therefore, as neither party has anything further to add, I see no reason to depart from my provisional findings.

my final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 30 April 2018.

Hayley West
ombudsman