

complaint

Ms B's unhappy about the way TransferWise Ltd has handled a transfer of money from her foreign bank account to her UK bank account and that it's now chasing her for payment of the money after it said the transfer was complete.

background

Ms B authorised TransferWise to debit 700USD from her foreign bank account for a transfer into her UK sterling account.

TransferWise says it can take several days for this transfer to clear through the federal automated clearing house system. Because of this the transfer is marked as received before the payer's money is actually received. But the payment can bounce if money isn't available at the time of posting.

In this case TransferWise says Ms B authorised it to debit her foreign account with 700USD on 22 April 2019. Having received this authorisation it sent the sterling equivalent to her UK account a few hours later. But her payment bounced three days later and it never received payment for the transfer. It advised Ms B of this and provided details of how to repay the amount.

Ms B says she closed her foreign account and there were no outstanding payments. She has refused to repay the amount to TransferWise as she says this was its error.

Our investigator felt this complaint shouldn't be upheld. He said TransferWise sent the sterling amount to Ms B's UK account from its own account. But the 700USD wasn't available from Ms B's foreign account and her payment bounced a couple of days later.

Ms B remains unhappy and says the money was available in her foreign account when the transfer request was made. She no longer has the foreign account and cannot pay the 700USD which she thought she'd paid. She's asked for an ombudsman review.

my findings

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

The simple fact is that TransferWise sent and credited £535.08 to Ms B's UK account from its own account and, as the payment from Ms B bounced, it was never paid the 700USD from her foreign account. There's also nothing to suggest this money was ever debited from her foreign account and paid to TransferWise.

So, there is clearly a 700USD debt owed by Ms B to TransferWise and I think it's fair for it to seek reimbursement of it from her as it's done.

I note TransferWise has already said it will accept repayment in Sterling rather than USD, that it will bear any additional costs and that it will accept instalment payments if Ms B has spent the original money in her foreign account which is now closed. I think that is all reasonable.

Overall I don't think on balance that I can fairly or reasonably require TransferWise to do anything more or differently as Ms B would like. And I don't see any compelling reason to change the proposed outcome in this case.

my final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 1 December 2019.

Stephen Cooper
ombudsman