

The complaint

Mr S complains that PaySend PLC (PaySend) took too long to make a payment.

What happened

On 6 April 2023, at around 00.36, Mr S asked PaySend to make a payment of £13,000 to his mother who's based outside the UK. After checks, the payment was sent at 21.09 on 7 April 2023.

Mr S complained. He said:

- The payment took far too long to send – 46 hours. This was longer than PaySend's promised service standards.
- The various checks were unnecessary – as he had made payments before and had provided the documents before. Asking for proof of settlement status wasn't necessary – as he had been living in the UK for several years.
- He wasted most of Good Friday dealing with PaySend and it caused a lot of stress and anxiety – he said his mother was sick and short of money, so the payment was urgent.
- To receive emails /chats from PaySend late at night/in the early hours was inconvenient.
- PaySend may have breached data regulations – as he thought some chat responses came from the US. He didn't want his data shared with the US.
- PaySend had not met their obligations under the Consumer Duty.
- PaySend should pay compensation of £200.

PaySend said:

- They needed to carry out checks to increase Mr S' payment limit and followed their standard procedures for that. PaySend has to comply with anti-money laundering (AML) obligations and remain compliant.
- To increase the payment limit to £13,000 for the next six months, they required proof of stay in the UK, with a verification of address document i.e. a visa, residence permit, or proof of settled status.
- They sent emails at night-time because their customer support is available 24/7.
- They apologised for some of the inconvenience experienced when Mr S was in contact with the customer support team.
- PaySend didn't uphold Mr S' complaint or pay any compensation.

Mr S brought his complaint to us and our investigator didn't uphold it. He said:

- PaySend followed its processes in asking for the documents.
- There had been a delay when Mr S sent some documents from a different email address. This had been a contributory factor.
- The increased limit was put in place within 48 hours – this was reasonable.

Mr S didn't agree. He asked that an ombudsman look at his complaint, and said by way of additional comments:

- The email address issue wasn't relevant as PaySend used his mobile phone number for authentication purposes, not the email address.
- PaySend's website says limit increases take 10 minutes – not 45 hours.
- PaySend made an error in asking him for his visa – when he was settled and resident in the UK. This caused a delay.

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.

Let me say at the outset that this service resolves individual disputes between customers and financial businesses. We are independent and impartial and our role is to listen to both sides of a complaint, take evidence from both parties, and then decide on a fair and reasonable outcome.

We aren't the regulator of PaySend – that's the Financial Conduct Authority (FCA). So – we don't tell businesses to change their policies or practices. So – here, it's for PaySend to make its own commercial decisions as to how it runs its regulatory checks; and for example, what documents it requires. So – I'm not going to go into which documents PaySend were entitled to ask for, or not.

But we do say if a customer has, or hasn't, been dealt with fairly and reasonably – based on the individual circumstances of their complaint.

Mr S has mentioned the impact of the Consumer Duty – but this only came into effect on 1 July 2023, which was after the payment he asked PaySend to make.

Mr S has said that the documents that PaySend asked for weren't needed, as he had provided these before and had made payments before.

We asked PaySend more about this. They explained their operating processes included different checking levels for different payment and customer thresholds. This is based on a customer's length of time and payment history with PaySend. And in Mr S' case, he was at the level where the documents they asked for were needed. I'm persuaded that this is a credible and reasonable argument, and therefore PaySend were entitled to ask for the documents they did. And – as I've said, I'm not going to interfere with how PaySend choose to run their AML/ Know Your Customer checks.

Turning to the time the approval process took – I looked at what happened:

6 April 2023: 00:36 – Mr S sent his statement and passport via email from his email address.

6 April 2023: 22:15 - PaySend requested a visa or residence permit for Mr S re the UK.

6 April 2023: 23:48 – Mr S explained that he had ‘settled status’ instead of visa/residence permit.

7 April 2023: 00:50 - PaySend advised Mr S that they accepted a ‘settled status’ document. PaySend asked that Mr S send the relevant document.

7 April 2023: 14:15 – Mr S sent a screenshot of his ‘settled status’.

7 April 2023: 14:26 - he contacted PaySend’s chat service from a different email address. This caused the prior thread and documents to be unseen. Therefore, PaySend requested the same information again.

7 April 2023: 20:16 – Mr S reopened the chat ticket and threatened to complain to our service.

7 April 2023: 20:47: PaySend asked Mr S to resend the information; but he initially refused to do that.

7 April 2023: 21.03: Mr S sent the information.

7 April 2023: 21.09: limit increased.

There were two significant delays here. The first one was between 00:36 and 22:15 on 6 April 2023 – when PaySend took almost ten hours to ask Mr S for his visa or residence permit. It’s not clear why that was.

And then – after PaySend asked Mr S for his ‘settled status’ evidence on 7 April 2023 at 00:50, Mr S didn’t send it to them until 14:15 that day - this caused a further delay of 13 hours. So – it seems to me that it’s reasonable to say that Mr S was responsible for that.

There was also a delay caused by the fact that Mr S used a different email address when he sent documents again – at 14:26 on 7 April 2023. Mr S argues that the email address used wasn’t relevant - but I’m satisfied that PaySend have shown us it was, and this caused a further delay.

So, what we have here is that the time taken was due to both PaySend’s processes, and to be fair, also by Mr S.

PaySend told us their internal service level for approval of limit increases, and verifying the documents is between 24 and 48 hours. Mr S has evidenced what PaySend say on their website which says: *“It usually takes up to 10 minutes to check your documents provided. In some cases, we may ask for additional documents, in which case the check may take several hours. If the limit has not been increased within 24 hours, please check the email address you provided when registering.”*

I’ve considered this – and I don’t think it’s reasonable to say that the website says PaySend guarantee or commit to increasing a limit within 10 minutes – but equally, it does give a reasonable expectation that limit increases would take place within 24 hours. And in this case – it took 45 hours.

But here – I’m satisfied that Mr S caused a delay of 13 hours in not sending the settled status evidence through on 7 April 2023; and then a further six hours on the same day by using a different email address. Without those delays, PaySend would’ve been able to increase the limit within about 25 hours – which would’ve been a reasonable timescale.

Mr S also complains about receiving emails at night (UK time) – but as I see it, PaySend were only trying to help him and deal with his requests – as he would’ve wished. And PaySend told us they provide a 24/7 service; which seems reasonable to me. Mr S has also said this must mean that his data has been breached and shared with the USA. I’ve seen no evidence of that, and PaySend have said they comply with the highest standards of data security. So, I set these points aside.

I appreciate that Mr S feels very strongly about his complaint and has argued in detail in support of it. My role is to reach a decision looking at the evidence from both sides, and in the circumstances of this complaint. He will therefore be disappointed by my decision, which is that I’m not asking PaySend to do anymore here.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr S to accept or reject my decision before 28 March 2024.

Martin Lord
Ombudsman