

## **The complaint**

Mr O complains about the service he received from Revolut Ltd (“Revolut”) in relation to outbound transfers made from his account – in particular he is unhappy about the provision of incorrect information by its support staff and the inadequate investigation and handling of his complaint.

## **What happened**

Mr O made two transfers from his Revolut account in USD to the same beneficiary with an external US account. The first was on Friday 23 September at 23:09 and the second on Monday 26 September at 17:38.

When the beneficiary informed Mr O they hadn’t received the funds Mr O contacted Revolut through its web chat on 27 September. Mr O was told that the payments would arrive within 5 working days. Mr O was dis-satisfied with this as the app had showed the payment as being received. During the course of the web chat with numerous support agents over two days, Revolut’s agents weren’t able to confirm what type of payment Mr O had made (international or domestic), provide details of where or how Mr O could trace the payments or explain why payments made on different days were received on the same day.

Mr O raised a complaint with Revolut. In response Revolut asked for further information to confirm Mr O’s account and identify him. Mr O replied to this around two months later, but didn’t receive a response due to him replying to an automated email.

Mr O contacted Revolut using its in-app chat support function on 15 December and then through social media the following day a complaint was finally raised regarding the delay Mr O experienced when making outbound transfers in USD using his Revolut account and the information and advice he was provided with by Revolut’s support staff regarding this.

Revolut issued its final response on 29 December upholding Mr O’s complaint because of the delays he experienced when seeking support and compensated him £100 for the distress caused by the situation.

On 12 January 2023 Mr O responded raising several concerns in a detailed 23 page document about Revolut’s final response, as well as raising new complaint points. Revolut didn’t offer any adjustment to its final response or offer any answers to Mr O’s new complaint points and so Mr O brought his complaint to this service.

Mr O complaints points consist of:

1. Improper handling of a formal complaint;
2. False and misleading advertising in relation to the fees and timing of transfers made to and from Revolut account(s);
3. Repeated failure of Revolut’s support agents’ to provide accurate information regarding financial transactions, causing serious distress, confusion and alarm;
4. Intentionally delaying inbound USD payments over the weekend; and

5. Failing to provide sufficiently detailed information about protections afforded to customers of Revolut.

One of our investigators looked into Mr O's concerns and reached the following conclusions on the above complaint points:

1. That Revolut was within its rights to request further information from Mr O regarding his account before raising a complaint and responding, as it wasn't able to identify him from the email address he'd sent his complaint from – as this address wasn't the one Revolut had registered for him. And that once Revolut was able to raise a complaint for him it responded within the expected timescales.

But they thought that Revolut failed to address new complaint points raised following its initial response – taking the position that it had already answered all the complaint points Mr O had raised which led to Mr O bringing his complaint to this service. They thought this part of Mr O's complaint should be upheld.

2. That Mr O was given misleading or false information regarding the timing of transfers. Mr O's Revolut account is registered in the UK, but he holds different currency wallets including a US dollar wallet.

Revolut advertise on its website that international bank transfers to the USA usually arrive within the same day. Mr O complained because his US wallet payments to a US account had been delayed for several days and was told by Revolut support agents it had been sent by SWIFT.

Revolut contradicted what was advertised on its website in its final response letter saying that as Mr O's account was based in the UK his base currency was GBP, even when using his USD wallet and so transfers using other currencies will be processed internationally taking 3-5 business days and making it a SWIFT transfer. This information was also repeated to Mr O during a live chat conversation with Revolut.

After reviewing Revolut's website, Mr O's annual account statement and what Mr O had been told, they thought that Revolut failed to provide clear information about its fees. Mr O pays for a Metal subscription which includes a 40% discount on certain payments. But if Revolut don't know by which method payments are being sent it's not clear what the charges will be. Mr O says he was told US dollar to US dollar payments should be free but certain SWIFT payments can incur a charge.

Our investigator thought Revolut needed to provide a more accurate breakdown of charges and the benefits of the Metal subscription Mr O was paying for.

3. They thought that Revolut's live agents within its support chat should be providing information that is both accurate and reliable – especially considering Revolut don't offer a call centre for its customers. They thought that Revolut had provided Mr O with a poor level of service in this regard and that its staff had illustrated a lack of knowledge regarding payments Mr O made, of which they didn't know the status, method they'd been sent or how to trace them when they failed to arrive within the expected 1 day advertised timescale or explain why two transfers requested on different days were both executed on the same day.
4. Mr O complained that two separate inbound international payments were delayed by Revolut from crediting his account. Revolut provided internal screenshots of its systems showing that both the transactions completed following a weekend and became available to Revolut on the same day as Mr O and as such they didn't believe Revolut had done anything wrong here.

5. Mr O complained that Revolut's terms and conditions don't adequately explain what would happen to his money if Revolut were to fall into financial difficulty. In particular Mr O said "Clause 8" was too vague. Our investigator reviewed this clause and thought Revolut had reasonably explained that client money is kept separate from its own and what would happen if Revolut became insolvent. They thought it was made clear that client funds are not protected by the Financial Services Compensation Scheme.

They thought as Revolut are regulated in the UK by the FCA it was reasonable to assume it must comply with their standards of safeguarding clients' money or it wouldn't be allowed to operate in the UK. Furthermore, they didn't think it was necessary for Revolut to cover every eventuality of what could happen in the company's terms and conditions.

Overall, our Investigator didn't think the £100 Revolut had compensated Mr O already was sufficient for the distress and inconvenience it had caused him and recommended Revolut pay Mr O an additional £300 in compensation.

Revolut disagreed with some of our investigator's findings. It says that information on all its fees can be found in its terms and conditions which are available online and in its mobile app. It clarified that customers using the Metal plan receive a 40% discount for any fees applied to international transfers. Revolut confirmed that it did previously offer 3 free transfers but that this was changed when the 40% discount was introduced in April 2022.

Revolut says it provides a link to the 'live fees' page where relevant fees could be checked. It says the exact fee will depend on what currency is being sent and where to, but that its maximum fees are capped.

Revolut says additional information regarding fees applied to specific transfers is available to the customer in its app and that the fee (including any discount) will be calculated in real time and shown to the customer in the app before they make the payment. Customers can also check the specific transaction in the app to see the fees applied to it – a breakdown of which should be presented if they press on the fee.

Revolut accepted it provided incorrect information regarding the transfers in complaint number 2 and the support provided wasn't satisfactory. Revolut confirms the transfers weren't SWIFT transfers but rather an ACH transfer. It says the transfer was completed within its timeframe of 1 working day for USD transfers to bank accounts domiciled in the US. Revolut explains that it was because Mr O initiated one of the transfers on a Friday at 23:09 when the banking day had already come to an end which meant that the transfer couldn't be completed immediately from its end and remained pending until it was finalised on the Monday along with the other – so the delay wasn't caused at its end.

Revolut says as Mr O has already received a refund of £100 and there doesn't appear to be any material loss that it will pay a further £100 compensation.

Mr O didn't want to accept this offer. He believes the information provided in Revolut's terms and conditions is inadequate and lacks detail. Mr O says that Revolut's frequent modification to them is unreasonable and impractical for customers to decipher and overall unfair and believes the same regarding the revision of its fee documents.

Mr O says the presence of inaccurate, misleading and outdated information on Revolut's website represents a significant breach of the obligation to ensure the accuracy of financial promotions. And that this is further aggravated when its support agents actively use and reference this information violating FCA and other regulations.

Mr O continues to be dissatisfied with Revolut's complaint handling which he says extends beyond a failure to provide an initial response, to a broader pattern of resistance to engaging with and resolving legitimate customer grievances and doesn't believe the compensation recommended by our investigator is enough and has asked for an ombudsman's decision.

### **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.

I hope that Mr O won't take it as a discourtesy that I've condensed his complaint in the way that I have. Ours is an informal dispute resolution service, and I've concentrated on what I consider to be his main complaint points – a summary of which is outlined above. And as our investigator has also already provided what I consider an accurate and detailed breakdown of Mr O's complaint points and their findings in their view, I don't think it serves any useful purpose repeating it here. But I will say that as it appears to me that Mr O hasn't raised further objections regarding complaint number 4 above – I consider this element of his complaint resolved and so I won't be addressing this specifically in this decision.

It might be helpful for me to say here that, this service doesn't supervise, regulate or discipline the businesses we cover. I cannot make a business change how it operates or tell it what it needs to do to meet its regulatory obligations. And my role isn't to punish or penalise businesses for their performance or behaviour – that's the role of the regulator, in this case the Financial Conduct Authority.

My role is to look at the problems Mr O has experienced and see if Revolut has done anything wrong or treated him unfairly. If it has, I would seek – if possible - to put Mr O back in the position he would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

Mr O has referred to and complained in some of his correspondence about Revolut's general practices regarding the handling of its complaints and its literature – including its promotional material, fee documents and its terms and conditions. But we can only look at this in relation the events Mr O has complained about and not in the wider context about how it may or may not have affected other customers.

Mr O complains that information provided on Revolut's website such as its blogs contain out of date promotional information and are misleading. He says that the frequent changes to its terms and conditions and fees makes it difficult to decipher which parts of the information is current and which is out of date.

Although I agree Revolut does appear to have a large number of revisions to its terms and conditions, fees and other literature, I'm also mindful of a business' need to remain competitive and profitable, as well as ensuring it keeps its practices up to date in regard to changes in regulations and law it is obliged to follow. So although I accept revisions to terms and conditions and other important information may be inconvenient for some customers, I don't think this is unreasonable.

I also think most customers don't keep copies of documents such as the terms and conditions. I think if they were concerned about the fees or conditions relating to a transaction they wished to make, they would likely go to Revolut's website where they're able to access this including the most up to date information. And I don't think it is unreasonable to expect a customer to rely on the most up to date information provided – rather than a promotion mentioned within a blog that may or may not be out of date.

Furthermore, for transparency and to assist customers who wish to check information regarding a historical transaction and what fees or conditions applied at that time – I'd expect that Revolut would also provide access to this information.

I accept to get the exact picture regarding fees a customer might have to navigate to different areas on Revolut's website – including the terms and conditions and clicking on a link for the live fees page. And for more detail about fees for specific transfers further steps are required – such as setting up the payment in Revolut's app at which point the fees are shown and any discounts that are available are included. But I don't think breaking down the information and the detail into different areas is unreasonable – not all customers require the same amount of detail about the same transactions.

Having looked at Revolut's international payment fees page, I was able to work out fairly easily the maximum charge for an international payment – allowing me to decide whether this fee was at an acceptable level before progressing a transaction. It is also possible to check specific fees applied to historic transactions in Revolut's app. So I don't think the information Revolut provides about its fees and access to it is unreasonable.

Mr O complains that the terms and condition regarding the safeguarding of client funds are vague and lack detail. But I'm in agreement with our investigator. The important information I think a customer needs to understand is that customers' funds are kept separate from Revolut's and that their funds are not protected by the Financial Services Compensation Scheme. I also don't think it's practical or possible to cover off every detail in the terms and conditions and every scenario that may or may not happen.

So overall, I don't think the way Revolut provides information about its services and fees is unreasonable and as I'm satisfied Revolut has provided us an explanation as to how Mr O can access the information he needs to determine what he's been charged historically - as requested by our investigator - I don't think Revolut needs to do anything more here.

But I do think the service Revolut provided Mr O was poor. Although, I agree that it wasn't unreasonable for Revolut to want to confirm Mr O's account when he initially tried raising a complaint with it – when a complaint was raised Revolut failed to investigate properly the transactions Mr O was questioning, the accuracy of the information provided to him or really get to the heart of his complaint.

Indeed, the final response Revolut provided only validated his complaint point surrounding the incorrect information given about what type of transfer Mr O had made by its support agents – by once again providing incorrect information.

This left Mr O in the position where he wasn't able to understand what type of transactions he was making and therefore the fees that he would be charged and left him in doubt over the accuracy of the advice provided by Revolut, its support agents and the information on its website. And then when Mr O expanded on his complaint, Revolut failed to address these points at all.

I also think the time it took for Revolut's agents to respond to Mr O's questions wasn't good enough. Mr O spent days trying to get an answer to what were straightforward questions regarding the transfers he'd made. He was passed over to different agents as their shifts ended forcing him to spend time repeating himself. Furthermore, it has taken Revolut months to investigate and provide this service with other basic information about the transactions Mr O made on his account.

Revolut have already agreed that the service it provided wasn't satisfactory and that it provided Mr O with incorrect information in its final response letter. So I don't need to make a

finding here. What I need to consider is what Revolut needs to do to put things right and whether I think any compensation is warranted.

I can see Mr O has now been provided with what I think is the correct information surrounding the two transfers he made from his account. So he will now be able to understand what type of transfers they were and the charges that applied. Revolut has also confirmed that the payments were made within the 1-day timescale that applied and explained why for one of the payments it appeared the payment was delayed. So I don't think Revolut needs to provide any further information or explanation about this.

As far as I'm aware Mr O hasn't suffered any direct financial loss due to the incorrect provision of information by its support staff. But I do think Mr O has been caused some distress and inconvenience by the poor service he received.

Revolut thinks the further compensation of £100 offered to Mr O is sufficient to settle his complaint. And I might agree if I was just considering the service he received from its support staff and the incorrect information provided at the time. But Revolut's error isn't confined to this singular event.

As explained above, Revolut continued to provide Mr O with incorrect information even after he'd raised a complaint with it, proving that it had failed to investigate his complaint properly. And it took too long to provide Mr O with satisfactory answers to his questions or with what I think was basic information he needed to use its services.

Mr O doesn't think the £300 compensation recommended by our Investigator is enough given what he views as Revolut's disregard for its obligations under FCA regulations and the principles of fair customer treatment as outlined in UK law.

But as I've explained above our role isn't to punish or penalise Revolut. Nor can we compensate Mr O for something that may or may not happen in the future – or simply because he doesn't agree with its policies or practices. I can only consider compensation in relation to the event he has complained about and how it has affected him in terms of financial loss, distress and inconvenience. And having done so I'm in agreement with our investigator that further compensation of £300 for the distress and inconvenience Mr O has suffered would be a fair and reasonable way to settle this complaint.

So overall, I am partially upholding Mr O's complaint and direct Revolut to pay Mr O a further £300 compensation for the distress and inconvenience he has suffered.

## **My final decision**

For the reasons I've explained I've decided to uphold Mr O's complaint and direct Revolut Ltd pay the fair compensation as outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 26 February 2024.

Caroline Davies  
**Ombudsman**