

The complaint

Mr S complained because Revolut Ltd blocked his incoming payment for 14 days. He said that meant that he lost money on the exchange rate, and he also had to find funds elsewhere.

What happened

Mr S had funds in US dollars which he wanted to use to pay for a deposit on a property purchase in sterling. He decided to send the money to his Revolut account, because he said Revolut had attractive exchange rates.

Mr S sent \$280,000 to his Revolut account on 29 August 2019.

The next day, Mr S's account was triggered by Revolut's security system for a routine security check. He was asked to verify the source of the funds, and he uploaded documents to prove this.

Between 1 and 6 September, Mr S tried several times to contact Revolut. The only way to do this was by Chat on Revolut's app, and Mr S asked for a live agent on several occasions, but this didn't happen.

On 6 September, Revolut apologised for the length of time Mr S had been waiting. It asked Mr S for more information. Mr S asked for clarification of exactly what Revolut wanted. The agent said she would escalate this to the relevant team.

Despite Mr S chasing several more times, he heard nothing until 14 September when Revolut specified what further documents it wanted. Mr S sent them promptly, and answered further questions about the money the same day. Revolut then confirmed that Mr S's account was fully operational.

Mr S complained, telling Revolut that he was claiming £600 because it had blocked his account for more than two weeks.

In its final response, Revolut apologised for Mr S's wait. It said it was working as fast as it could to ensure that all users got a response quickly. It said the checks were there for security, and it had had an unusual amount of chats at the time. It gave him the value of two months of the Premium subscription. According to figures on Revolut's website, this was worth about £14 in total.

Mr S complained to this service. He said that if the funds had been released promptly, they'd have been converted into £3,000 more. He'd also had to find funds elsewhere, and the experience had been stressful and time-consuming. Mr S wasn't satisfied with Revolut's offer of two months of an upselling service. He said he wanted £600 compensation.

The investigator upheld Mr S's complaint. She said that Revolut had a regulatory duty to carry out necessary security checks. And the website, and terms and conditions, made it clear that transfers in usually took up to 5 working days, and that it might have to carry out

further security checks. But there had been times when Mr S had asked to speak to a live agent, and this hadn't happened. The investigator pointed out that, even though Revolut had said it had a lot of requests at the time, someone could have responded to him, even if this had just been to say there was no update available. So the investigator considered that Revolut should pay Mr S £100 compensation.

Revolut didn't reply to the investigator's view. But Mr S wasn't satisfied with £100, which he said was nominal. He said that the money had been low risk, because he'd sent it from a UK bank account where it would already have been vetted. It had become trapped in Revolut's system for a number of weeks, and Revolut hadn't responded to his contact, and hadn't provided an adequate service. Mr S also pointed out that Revolut's website didn't provide ready access to the small print, but focused on the ability to send money easily.

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.

There are two elements to consider about Mr S's complaint: whether Revolut was justified in requesting extra security information; and its customer service.

Extra security information requested

I find that Revolut was entitled to request extra information from Mr S, in order to verify security details for the incoming payment, and in particular to verify the source of funds. Financial organisations have a duty to satisfy themselves about security matters, and it doesn't make any difference what checks Mr S's sending bank had done. Having looked at the information requested, I consider the content of Revolut's requests was reasonable.

Mr S has pointed out that the terms and conditions weren't readily accessible. I've looked at the website, and I agree that the main message is a selling one. But that's not uncommon, and new accounts, with all financial organisations, require customers to agree to terms and conditions. It's customers' responsibility to make sure they are satisfied with what they're signing up to.

Section 20 of the terms and conditions for Mr S's account sets out "*When we will refuse or delay a payment*" and says:

"We must refuse to make a payment, or delay a payment, in the following circumstances:

- If legal or regulatory requirements prevent us from making the payment or mean that we need to carry out further checks."*

It goes on to say:

"We won't be responsible for any losses you suffer as a result of us refusing or delaying a payment."

Mr S was bound by these terms and conditions, and I accept that the reason for Revolut's checks was to fulfil the regulatory requirements concerning security. It follows that the fact that the exchange rate moved against Mr S during the period of delay, is not something that Revolut has to reimburse. The exchange rate might, of course, have moved the other way, benefitting Mr S.

Customer service

I've looked at the Chat records. These show that on 30 August Mr S promptly uploaded the documents which Revolut requested. Mr S didn't hear back and chased Revolut, asking for a live agent, on 1 September, 2 September, and 3 September. Revolut didn't get back to him until 6 September, when Mr S again promptly provided the bank statement which Revolut requested.

Mr S asked for a live agent again on 8, 11 and 13 September. Revolut didn't get back to him until 14 September, again asking for more information, which Mr S again provided straightaway.

So there were at least six occasions when Mr S tried to contact Revolut, and didn't get a reply.

And there were three separate requests for information: on 30 August, 6 September and 14 September. I appreciate that Revolut's 14 September queries arose from the earlier documents. But I note that Revolut didn't ask for the bank statement, requested on 6 September, with the first batch of information. If it had done so, the final batch of queries could have been raised about a week earlier.

Mr S has also pointed out that the only way he could communicate with Revolut was by using Chat on the app. I appreciate that having no other way of contacting Revolut would have added to Mr S's frustration when he couldn't get a reply through the app. But this is a feature of an app-based service, and the terms and conditions do say "*We'll normally communicate with you through the Revolut app.*"

I agree with Mr S that he had poor customer service from Revolut. And from the figures on Revolut's website, its offer of compensation was worth at the most around £14. I can understand why this would have added to Mr S's annoyance. But taking into account the general level of our awards, I find that £100 is a fair and reasonable amount for Revolut to pay Mr S for its poor service.

My final decision

My final decision is that I order Revolut Ltd to pay Mr S £100 compensation for its poor service. For the avoidance of doubt, this is in addition to the value of Revolut's two month Premium subscription.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 8 September 2020.

Belinda Knight
Ombudsman