

The complaint

U, a limited company, complains that Revolut Ltd didn't complete an important international payment and delayed returning its money.

What happened

U attempted to make the payment of £4,815 on 15 September 2021. The director was unhappy to be asked what the money was for. And he then requested the payment be cancelled. The money wasn't returned until the following day.

Revolut said it hadn't made any mistake. It said that the payment had been in review. And that as it relies on third parties to process bank transfers some security measures and restrictions may be applied. It said that due to the regulatory framework it wasn't able to disclose the exact reasons here. Revolut said that this was normally a quick process but there had been a heavy demand for services.

Our investigator didn't recommend that the complaint be upheld. She referred to Revolut's terms and conditions and specifically part 22 which stated that:

"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..."

This payment was flagged for a due diligence check and U was asked for proof of payment required and the nature of the transaction. U didn't provide this and asked for the money back at 15:47 that day. There was online chat involving the director asking where the money was at times from 15:59 to 21:09. This money was returned on 16 September 2021 at 07:38. Given U hadn't provided the information requested this wasn't unreasonable.

U didn't agree. The director said that this money was being sent to a University with the reference 'tuition' so it was obvious what it was for. U transferred money from another account to Revolut to make the payment as it thought the transfer would be faster. There was a delay in refunding the money.

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.

Revolut was required to ensure that it complied with all regulatory and legal requirements. How it does so is a matter for it to determine and is covered as our investigator has stated by its terms and conditions. And this might mean, as here, that additional checks were required on a payment. The money was being sent abroad and Revolut explained that further information was required to support this payment. I understand what U says but the narrative on the payment and the nature of the beneficiary were insufficient for Revolut. I am unsure why U couldn't have provided that information especially as it explains this was a business to

business payment.

In any event once the payment had been made and was pending there was clearly a process for it to be cancelled. I know U wanted its money back straightaway but that wasn't possible, and I don't think that the time before it was returned was unreasonable and taking into account that U hadn't dealt with the questions Revolut had raised.

So, I won't be requiring Revolut to do anything further.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask U to accept or reject my decision before 11 April 2022.

Michael Crewe
Ombudsman