

The complaint

Ms M complains that Revolut Ltd have provided her with poor customer service and they wouldn't reinstate her Premium plan subscription on an annual basis for her.

What happened

Ms M had an annual Premium plan subscription with Revolut. She says she was looking at the Metal plan they offered when she accidentally upgraded to this plan as there were no clear warnings on their application (app) as to what would happen next, when she was trying to find out more information about this, which resulted in her losing her Premium plan. Ms M contacted Revolut immediately to try and get her Premium plan reinstated, but they refunded her money for the unused months on the plan, and they wouldn't reinstate the Premium plan on its original terms. Instead they said they would charge her a monthly payment which was almost £12 a year more expensive. She said they gave her poor customer service in a chat she had with them, as the chat agent didn't escalate her concerns to a manager when asked or provide her details of third party organisations. Ms M made a complaint to Revolut.

Revolut said while checking the advantages of their Metal plan, Ms M accidentally upgraded her account to the Metal plan. They said when she contacted them in the chat to reinstate her Premium plan, the chat agent suggested to downgrade the plan to their standard plan, and then to upgrade to the Premium plan under the annual plan. They said when the plan was changed from Premium to Metal, the system automatically refunded the amount of the unused months of her annual Premium subscription, resulting in a credit of £42 which was the equivalent to seven months. Revolut said that once a plan is changed, they are unable to reinstate her previous subscription, but if she wishes to upgrade her account to the annual Premium subscription, she could consider doing it manually in the app. Revolut said to express their comprehension of the situation, they credited £30 to her account. Ms M brought her complaint to our service.

Our investigator said he reviewed the chat exchange and although he didn't think Ms M was being harassed or that the chat agent was unprofessional in his approach, he was sympathetic to how frustrating Ms M found this exchange. He said Revolut's online terms and conditions do give detailed information on the account upgrade/downgrade procedure and rules.

Ms M asked for an ombudsman to review her complaint. She made a number of points. In summary, she said Revolut are now offering more competitive interest rates as part of their vault account. She said Revolut did not allow her to speak to a manager when she asked to speak to one, she felt bullied into paying the higher monthly fee with the chat agent, she never received details of the escalation process or details to our service, and they closed her complaint down on day one. She said she has spent a lot of time on this complaint and told us how much she charges per hour in her professional capacity.

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.

Ms M has made a number of points to this service and I've considered and read everything she's said and sent us. But, in line with this service's role as a quick and informal body, I'll be focusing on the crux of her complaint in deciding what's fair and reasonable here.

I'm unable to address what Ms M has said about the vault account as this was not part of her original complaint she made to Revolut. It was not addressed in their final response and Ms M did not mention this complaint point in her email to Revolut with her response to their final response letter. So Ms M will need to complain directly to Revolut about this issue if she wishes to do so. This will give them a chance to investigate and respond to her, and if she is not satisfied with their response, then she may be able to bring this complaint to our service.

I must explain to Ms M that complaint handling by a business isn't a regulated activity and as such, the issues she's raised that relate directly to how Revolut have investigated her complaint, such as how quick they issued their response does not come under my powers to consider.

Ms M changed her plan from the Premium plan, which she had already paid £72 for the year to Revolut, to their Metal plan by accident. Ms M realises the accident quickly and contacts Revolut, as she doesn't want the Metal plan and she wants her Premium plan reinstating. I've looked at the chat transcript that Ms M had with Revolut about this.

The chat agent tells Ms M on 26 November 2022 at 14:29 that he recommends she downgrades the plan to the standard plan and then upgrades it again on "*the Premium plan annual*". So the chat agent is not proposing that Ms M pays for a monthly Premium subscription, as he mentions the annual plan. Ms M asks the chat agent to block the Metal plan. The chat agent responds that if she wants to block the Metal payment plan then he suggests she changes her plan, pay £6.99 and they would refund that fee after changing her plan. So again, the chat agent is suggesting that Ms M can change her plan to the Premium plan and she could pay a £6.99 fee, but they would refund this fee after she changed her plan (to an annual fee).

Ms M asks for this to be escalated to the chat agents supervisor. The chat agent tries to explain that if she pays £6.99 for switching her plan, then the Metal account would be the Premium annual and she wouldn't pay £6.99 a month as she would already have a Metal plan. But the chat agent said "*already have a Metal plan*", whereas it would appear he meant she would already have a Premium plan – if she had changed it. The call handler comes back to Ms M to say that he can direct her query to a manager, but he might not be available at the moment. The chat agent said he was available to try and help her and said "let's try to find an alternative solution."

The chat agent sends Ms M the link to make a complaint. He also explains that if she wished to escalate her complaint further, then it wouldn't be considered without their final response. The chat agent then tells Ms M he has downgraded her plan to the standard plan, the refund was automatically applied and she could now upgrade her plan to the Premium plan again.

The chat agent tries to explain to Ms M at 15:53 that "*The only way to back to your Premium plan is to upgrade through your app or we can upgrade you here on our end but we will charge you an annual fee of 72.00 GBP and the billing cycle will be 11-26-2022*". Ms M was refunded £42 automatically (which was a pro-rated refund of the unused Premium plan) when she accidentally upgraded to the Metal plan. So the chat agent was actually letting Ms M know that she could go back onto the Premium plan here at £72 an annum, which is the same as she was previously. But it doesn't appear that Ms M realised the chat agent would've been able to put her on a Premium plan as she mentions being blackmailed into

the £6.99 a month plan.

If Ms M had given her consent to go onto the Premium plan by paying £72 for the year at this point, then the crux of the matter would've been resolved. The chat agent says *"I already refunded your Metal plan and the remaining months of your Premium plan. The decision is on yours if you still want to continue with your Premium plan, you can upgrade it on the app. We can upgrade here on our end but the billing cycle will be reset."* Ms M's response includes *"Leave me alone. You are now harassing me. I am going to report you (agent's name) as you are falsely continuing to state I must adopt the monthly plan."* But I'm not persuaded the chat agent was trying to get Ms M to set up the monthly plan (with the exception of the one occasion where he said she could get the monthly plan then they could refund the £6.99 when it was changed (to the annual plan). The agent had mentioned annual plan on more than one occasion. And I'm not persuaded that the chat agent was harassing Ms M at any point of the chat.

But I also think there were times where the chat agent could have communicated better. I say this as there were several occasions when Ms M asked for details, which weren't given to her. So it would be distressing for Ms M to ask for something and the reply didn't acknowledge what she asked for. And on 27 November 2022, Ms M asks the chat agent to get her his manager or provide her with the documentation she has requested. The agent again responds that the manager is unavailable so he would like to help her. Ms M tells the chat agent to stop messaging her. But no manager joins the chat later.

I've looked online to see what Revolut say about the different plans. Section 11 of their paid plans webpage shows *"You can pay your subscription fee in monthly instalments or pay the full subscription once a year. These fees are set out in our Fees Page."* So I clicked on the fees page. This shows the personal fees for the Premium plan. The page shows under subscription fee that the Premium plan costs *"£6.99 a month or £72 a year"*. So Ms M would still be able to use the Premium plan at the same annual cost as she'd previously paid.

As Ms M applied for the Metal plan accidentally, this resulted in her Premium plan being replaced by the Metal plan, and £42 being refunded to her. The annual cost of the Premium plan was £72, so this would equate to £6 a month, and as Ms M had another seven months remaining, this is why she was refunded £42 automatically (seven months x £6). As Ms M told the chat agent she didn't want the Metal plan, he downgraded her to the standard plan. Section 12 of the paid plan on Revolut's website mentions about ending a paid plan subscription at any time. At the end of the first paragraph it says *"After then, you'll become a Standard user again (a personal account holder who does not pay a subscription for the Paid Plan service)."* So I don't find it unreasonable that Revolut downgraded Ms M's account when she didn't want the Metal account and they refunded her the £70 annual fee for this.

Revolut confirmed in their final response letter to Ms M that *"once the plan is changed, even in the best of our intentions, we are unable to reinstate your previous subscription"*. As this is a commercial decision for Revolut to make, then I don't have the power to ask Revolut to change their processes, and this includes any warnings Ms M wants them to make before changing a subscription. But Ms M is – and always was eligible to subscribe to the annual subscription to the Premium account for £72 a year once she decided that she didn't want the Metal plan she accidentally subscribed to. And her unused months from her previous plan were refunded to her. So the only thing that would change is instead of Ms M's subscription running from June, it would've run from November 2022, if she confirmed to the chat agent to put this in force for her when he said *"we can upgrade you here on our end but we will charge you're an annual fee of 72.00 GBP and the billing cycle will be 11-26-2022"*.

It was reiterated in Revolut's final response that Ms M could have an annual plan when they told her *"If you wish to upgrade your account to annual Premium subscription, kindly consider doing it manually in your app"* and they gave instructions of how she could do this. So I can't agree that she was bullied into taking out a monthly plan.

But there were times when Revolut could have done more. They could have given Ms M a link to the terms and conditions when she asked about them, they could have given her other details that she asked for, such as our details, (although the chat agent was correct when he told Ms M that we wouldn't be able to consider her complaint without a final response), and a manager could have contacted her over the chat facility. While I don't think Ms M speaking to a manager would have changed anything here, as the chat agent had already reiterated their process and that Ms M could have an annual Premium subscription, it would have been good customer service to get a manager to speak to her after she asked for one.

I've considered what Ms M has said about the time she's spent on this complaint and how much she would charge on an hourly basis. While Ms M may think £30 compensation is enough compensation, I must explain to her that our awards are not designed to punish a business or to make it change the way it acts in order to protect other customers in the future. That is the role of the regulator. We sometimes award compensation if we feel that a business has acted wrongfully and therefore caused distress and inconvenience to their customer over and above that which naturally flows from the event.

So I'm persuaded that £30 does recognise the impact of what happened with the chat agent, for her not being able to speak to a manager or being given information that she asked for. While I'm not persuaded that this would have changed the crux of her complaint, it would be distressing for her not to be provided with this. The compensation is in line with what I would have awarded Ms M if Revolut did not pay her this. As Revolut has paid this already to Ms M, it follows I don't require them to do anything further.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms M to accept or reject my decision before 21 August 2023.

Gregory Sloanes
Ombudsman