

The complaint

P a limited company complains about the way that Revolut Ltd handled a payment request.

P is represented in its complaint by a director, Mr P.

What happened

P asked Revolut to pay an amount in Euros to another business. The payment was held up and P says this meant it had to borrow money at a higher rate of interest. P also said that the payment delay caused reputational damage and wasted time.

Revolut told P that the delays happened because of the regulatory process that Revolut and other parties must follow. Revolut referred P to clause 22 of its business terms which allow it to refuse or delay a payment. Revolut credited P's account with £100 in recognition of the distress experienced by Mr P.

After bringing P's complaint to this service, Revolut offered to pay a further £50 for the inconvenience caused by the payment failure.

The investigator didn't think Revolut had done anything wrong when it withheld money to allow checks to be carried out. The investigator noted that once Revolut had completed its checks, the payment was refunded to P's account in early November 2022. The investigator thought a total of £150 compensation fairly reflected the inconvenience to P.

Mr P disagrees with the investigation outcome. He says he asked Revolut to explain the delay on multiple occasions. Mr P doesn't understand how Revolut delayed the payment for three months just to clarify details about an individual. Mr P asks whether he should also take P's concerns up with the bank that held up the transfer.

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 realise that I've summarised P's complaint in less detail than the parties and I've done so using my own words. The rules that govern this service allow me to do so. But this doesn't mean I've not considered everything that both parties have given to me.

I should also say that the complainant is limited company P, which is its own legal entity. This means I can't consider the stress that Mr P has felt personally. I can only consider the impact that any mistake or unfairness may have had on P.

I'm sorry to disappoint Mr P but having considered P's complaint, I agree with the investigator that Revolut doesn't need to do more than it's already done and offered.

The rules that govern this service allow us to receive evidence in confidence. Some of the information Revolut has provided is information that I consider should be kept confidential.

It appears that P sent money using the SWIFT network. This process will often involve an intermediary or payment processor that manages the logistics of getting money to the intended recipient.

In the case of the payment P wanted to make, it looks as though the payment processor asked for further information as part of its compliance checks. From what I've seen, Revolut responded within a reasonable timeframe and then continued to chase for responses. As the payment was being held up by a third party, I can't say that Revolut was to blame or that it failed to try and engage with the third party.

As I don't find that Revolut made a mistake with the payment, it follows that I don't require it to compensate P for any financial or reputational impact it felt because the payment didn't arrive with the intended recipient.

I appreciate Mr P struggled to find out from Revolut exactly what was happening to the payment. The regulatory processes that Revolut must follow means that it can't always share every detail with a customer. However, I recognise that Mr P spent time contacting Revolut to find out what was happening with the payment. I assume this diverted him away from running the business of P. I consider the compensation paid and offered by Revolut of £150, fairly reflects the inconvenience caused to P. For the avoidance of doubt, this compensation is made up of £100 already credited to P's account and the further £50 offered by Revolut.

The investigator has already given Mr P details of the payment processor so I leave it with him to decide whether to take matters further on behalf of P. But for all the reasons outlined above, I don't require Revolut to do more than it's already done and offered to do. I'm sorry if this comes as a disappointment to Mr P.

My final decision

Revolut has already made an offer that I think is fair. So, my final decision is that if it hasn't already done so, Revolut Ltd should pay P £50 in addition to the £100 already paid.

Under the rules of the Financial Ombudsman Service, I'm required to ask P to accept or reject my decision before 23 May 2023.

Gemma Bowen
Ombudsman