

The complaint

Mrs S complains that Revolut Ltd were responsible for fees and charges of around £650, which were lost during payment transfer abroad.

What happened

In May 2024 Mrs S sent funds from her Revolut account to an account in the UAE. She did this over three separate payments. Following this, Mrs S complained to Revolut and said when the funds arrived in the recipient's account, around £650 was missing. Mrs S said this had been taken as hidden charges, along with £9 in fees charged by Revolut (£3 per transfer).

Mrs S explained that while she was happy to pay the £9 fees she was made aware of before making the payments, she hadn't been told about the other charges and therefore wanted the money back. She said the situation had caused issues between her and the recipient as the amount she thought was being sent wasn't what the recipient received.

Revolut explained that whenever they charge a fee, it is visible to the customer before the transaction is completed. Any fees charged by the beneficiary or intermediary bank are only visible at the recipient's end of the transfer.

They also explained that while £9 was charged by them (£3 per transaction) no fees were actually charged by the intermediary bank when Mrs S made her payments. They explained that as the recipient bank converted the funds from GBP to AED, it was likely the exchange rate that had been applied on receipt of the funds which had caused the difference in the amounts. They advised Mrs S to get in touch with the recipient bank to query this.

In relation to the £9 charged by Revolut, they said this was made clear before the transfers were made, and therefore, given they had no control over the exchange rate, or any fees charged by either the recipient or intermediary banks, they wouldn't be able to give Mrs S the money she felt had been lost.

However, they did give Mrs S a free subscription to their Metal plan for three months to acknowledge the difficulties experienced.

Mrs S didn't accept this and brought her complaint to our service.

Our investigator reviewed everything and was of the opinion that Revolut hadn't done anything wrong. He explained that from the evidence he'd seen, Revolut hadn't charged anything other than the £9 fees - £3 per transaction, and that it was likely the change in amount was down to the exchange rate used by the receiving bank. He also felt Revolut had given Mrs S the correct information when they explained the beneficiary or intermediary bank could apply charges, but in this case it didn't appear as though charges had been applied. Overall, our investigator felt the offer of giving Mrs S three months free on Revolut's metal plan was fair and therefore he didn't ask them to do anything further.

Mrs S disagreed. She said Revolut were responsible for the third parties they use and therefore she wanted her money back. Because Mrs S disagreed the complaint was passed to me for a final 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.

After considering everything, I agree with the outcome reached by the investigator. I know this isn't the outcome Mrs S hoped for, so I will explain why I have come to the decision I have, but with a more detailed explanation than what was given in the view.

Mrs S is unhappy as the person she paid appears to be around £650 short of what was expected. Revolut have explained that any charges that are payable are displayed before the payment is made, and Mrs S has acknowledged that the £3 per transaction was clear and that she's happy to pay it.

What she doesn't know is why the total amount received by the recipient is short of what she expected. Revolut initially explained over their online chat facility that fees may be charged by an intermediary or beneficiary bank, and that they wouldn't have visibility of these or authority over them. Revolut later explained however, that having checked, they couldn't see that any fees were charged by the intermediary bank and therefore it was likely that the difference occurred as a result of the exchange rate used by the beneficiary bank.

Having looked through all of the evidence provided, I am persuaded that no fee was charged by the intermediary bank, and the only charges applied by Revolut were the three £3 charges, one for each transaction.

Mrs S has explained that the amount received by the recipient isn't the same as what she expected. Mrs S hasn't provided any documentary evidence of what she saw when she made the payments, but as the payments were sent in Sterling I'm not persuaded that Revolut would have provided any information about the AED amount. This is because it would be dependent on the exchange rate applied by the beneficiary – something which I'm satisfied is not in Revolut's control.

Overall, while I can understand Mrs S's frustrations, I can only look at the actions of Revolut and what they should have made Mrs S aware of before she made the payments. As it appears as though their intermediary didn't charge any fees, and as they made their fees clear, I can't say that they have done anything wrong here.

While our service isn't permitted to offer advice, it may be worth Mrs S contacting the beneficiary bank, or she could ask the recipient to contact them at their end. From what I have seen, it seems most likely that the difference in amounts was due to the exchange rate used. However, the beneficiary bank will likely be better placed to explain the difference.

Revolut gave Mrs S three months free on their metal plan. Given I can't find that they did anything wrong, I find this fair. Because of this, I won't be asking them to do anything further to put things right.

I know this will come as a disappointment to Mrs S, but I hope she understands my reasoning and feels reassured that someone impartial has considered this complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 21 October 2024.

Danielle Padden
Ombudsman