

The complaint

A company, which I will call S, complains that Revolut Ltd introduced a new fee for its Basic Business Account without giving adequate notice.

What happened

S's director told us:

- He originally chose Revolut because it did not charge a monthly fee for its Basic Business Account. S's turnover is very low – under £400 a year – so an account with a monthly fee would not have made economic sense.
- On 25 February 2025, Revolut wrote to him to say it was introducing a monthly fee of £10 for its Basic Business Accounts, with effect from 11 March 2025.
- Whilst he is disappointed that Revolut chose to introduce a monthly fee, he accepts that it is entitled to do so. However, he considers that Revolut behaved unreasonably when it gave him just two weeks' notice. S operates payment terms of 60 days, and had sent invoices to customers showing the Revolut account details for payment. That meant S effectively had two weeks' notice to open a new business account, contact all customers to advise them of new payment details, and change all existing direct debits and scheduled payments.
- He initially believed it would be impossible to open a new business account within two weeks, but in the end he was able to do so. He was also able to update all existing customers and suppliers, meaning that S did not suffer any financial loss. However, he said that resolving the issue took a significant amount of time and effort within a very short time frame.
- He is not looking for financial gain or compensation from this matter, but he would like Revolut to apologise and to accept that the way it approached the introduction of the monthly fee was unacceptable.

Revolut told S's director:

- The terms and conditions of S's Revolut account, which S's director agreed to when he opened the account, include a section headed "When we can change the Agreement". That said that if Revolut was making changes which related to payments in and out of S's business account, it would have given two months' notice before making those changes. It went on to say:

"For all other changes that do not relate to payments into and out of your Business Account, we will give you 10 business days' notice. The 10 business days' notice applies to any changes to Business Account Fees Pages where the change is unrelated to the regulated payment services we provide (for example, a change to the subscription fee, or a change to a fee for a Revolut group product that is unrelated to your Business Account).

During the notice period, you have the right to opt out of the changes applying to you by closing your Business Account but if you choose not to, the changes to the Agreement will take effect.”

- It recognised that the situation caused S great inconvenience and dissatisfaction. It wished to reassure him that it always has the best interests of its customers at heart, and it apologised for any trouble experienced.
- Nevertheless, it said that S’s director was informed of the change in accordance with Revolut’s business terms, and therefore Revolut decided not to uphold S’s complaint.
- It wished to stress that it was not dismissing the director’s negative experience. But from an objective point of view, it was satisfied that it had not acted unfairly on this occasion.

One of our investigators looked at this complaint and recommended that Revolut pay S £100 in compensation. Our investigator said that in the individual circumstances of this complaint, and bearing in mind that the £10 fee would have impacted S’s finances, it would have been fair to have given S a longer period to seek alternative banking. S experienced inconvenience by having to contact its customers and suppliers in a condensed period of time.

S’s director accepted our investigator’s opinion, but Revolut did not. It requested that the matter be escalated to an ombudsman, but it did not provide any further reasons.

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’s terms and conditions are a relevant consideration here, but they do not in themselves determine the outcome. They are only one of the many factors I must take into account when considering what is fair and reasonable in the individual circumstances of the complaint in front of me.

A monthly fee of £10 is not out of line with accounts carrying similar benefits offered by other providers. And paying for such benefits is something a business might choose to do. But S is a very small business. I understand why its director says that a fee of £10 made it uneconomical for S to continue to operate its Revolut account. The practical effect of Revolut’s 25 February 2025 notice was that if S’s director wanted to avoid incurring fees that S could not afford, he had only two weeks (or ten days business days) to move S’s account elsewhere. In the circumstances, I don’t think that was fair or reasonable.

I can see that Revolut has apologised for “any trouble experienced”, but it has not acknowledged that it has done anything wrong. S’s director did not accept Revolut’s apology, and instead referred the matter to the Financial Ombudsman Service. I don’t think Revolut’s apology (without admittance of wrongdoing) is enough here, and so I have considered whether Revolut should make a payment in respect of either financial loss or material inconvenience.

In the event, S’s director was able to move S’s account elsewhere very quickly. His swift action meant that S did not suffer any financial loss. But I think our investigator was right to say that S suffered inconvenience – and indeed I note that Revolut accepts that its actions caused “great inconvenience” to S.

We publish information on our website about our approach to awards for inconvenience (available at <https://www.financial-ombudsman.org.uk/consumers/expect/compensation-for-distress-or-inconvenience>). We say:

“If an error has caused ... more than the levels of frustration and annoyance you might reasonably expect from day-to-day life, and the impact has been more than just minimal, then an apology won’t be enough to remedy the mistake.

An award between £100 and £300 might be fair where there have been repeated small errors, or a larger single mistake, requiring a reasonable effort to sort out. These typically result in an impact that lasts a few days, or even weeks, and cause either some distress, inconvenience, disappointment or loss of expectation.”

The complainant here is S, which as a limited company is not capable of suffering distress. But it can be inconvenienced. I think S, through its director, did have to make a reasonable effort to transfer S’s account at short notice. The impact lasted for a few days. Looking at what happened here, taking into account our guidance, and applying my own judgement, I think that a compensation payment of £100 is fair in this case.

I note in passing that it is arguable the £10 charge Revolut introduced is in fact “related” to the regulated payment services Revolut provides. I do not see how it would have been possible for S to have continued to benefit from those regulated services without paying £10 per month. However, I have explained above why I am satisfied that Revolut treated S unfairly in the circumstances of this individual complaint, and so there is no need for me to make any findings as to whether Revolut complied with its own terms and conditions.

My final decision

My final decision is that I order Revolut Ltd to pay S £100.

Under the rules of the Financial Ombudsman Service, I’m required to ask S to accept or reject my decision before 11 June 2025.

Laura Colman
Ombudsman