

30 March 2026

Final report by the Complaints Commissioner**Complaint number 202500586***The complaint*

1. On 8 December 2025, you submitted a complaint to my office about the FCA, which I set out below.
2. You commend the FCA for its publication on international payment pricing transparency¹ (“**the Publication**”). However, you are concerned that the FCA does not appear to treat it as good practice for firms providing UK customers (“**senders**”) with international money remittance or cross-border payment services to disclose the fees paid to any intermediary banks involved.
3. You assert that, as a result, sending banks are *“using their subcontractors to extract unfair fees, whilst pretending that they are not doing so and hiding the fact in misleading nomenclature.”*
4. Instead, the examples of good practice in the Publication refer to the disclosure of a single fixed fee that appears to combine both the charges payable by the sending or receiving banks and any correspondent / intermediary banks.
5. You also say that *“Banks refer to these fees as ‘intermediary fees’, without differentiating whether the intermediary is a subcontractor of their own bank (in which case they are responsible for the fees) or the other side’s bank (in which case they are not responsible for the fees).”*
6. Your argument is that *“By creating this muddle, and simply referring to ‘intermediary fees’, the banks are able to extract small but very significant fees*

¹ <https://www.fca.org.uk/publications/good-and-poor-practice/consumer-duty-international-payment-pricing-transparency-good-poor-practice>
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totalling hundreds of millions of pounds a year, and consumers are left totally in the dark about what is occurring and are being ripped off”.

7. In your comments on the Preliminary Report, you have added that the ultimate basis of your complaint is “in reality the sender, the UK consumer customer, is in practice often NOT informed of the fees that will be deducted from the payment by their bank (through their bank’s subcontractor), and they are often not informed that the recipient’s bank will therefore receive a deficient sum from their bank after this deduction”.
8. The remedy you seek is for the FCA to require “...that a UK bank must show clearly its intermediary subcontractor bank’s fees, so these are clear to consumers.”

Outcome – not upheld.

9. The FCA responded to your concern that, in some of the examples of good practice referenced in the Publication, the sender is informed of the fees they will be required to pay and the amount that will be transferred and received by the recipient. Where a receiving bank may apply a fee on receipt of the funds, good practice dictates this is typically disclosed in advance and, in some cases, the sender may choose to cover all charges so that the recipient receives the full amount. Although sending banks do not always present senders with a breakdown of fees paid to intermediary banks—typically incorporating such charges within a single disclosed amount, the FCA has said that “*While this distinction may be important to the underlying legal arrangements, ... the focus [of the Publication] is consumer understanding – specifically, helping consumers know how much they are sending, what the recipient will receive, and what charges apply.*”

The purpose of the Publication is to promote transparency about the overall cost and outcome of a payment for consumers. Whether intermediary bank or other intermediary fees are itemised separately, or incorporated within a single disclosed charge, does not of itself give rise to consumer detriment provided the total cost and amount received are made clear.

10. In my view, the FCA's position is not unreasonable, and is founded on the Consumer Duty which expects firms to "*act to deliver good outcomes for retail customers.*"
11. You have said that "in reality the sender, the UK consumer customer, is in practice often NOT informed of the fees that will be deducted from the payment by their bank (through their bank's subcontractor), and they are often not informed that the recipient's bank will therefore receive a deficient sum from their bank after this deduction".
12. The FCA publication explicitly identifies the above as poor practice, and it is not something which the FCA condones. I note you have provided no evidence to suggest that this is happening in practice. If you have evidence of specific examples I suggest you provide this information to the FCA so it can review it.

Background

13. On 20 May 2025 you wrote to the FCA to say that the Publication needed to be amended. You asserted that intermediary banks are not a bridge between sending and receiving banks, but are subcontractors of the sending or receiving bank, and you raised the points in paragraphs 2-5 above.
14. On 30 May 2025 the Supervision Hub told you that '*bridge*' was a term commonly used by several payment firms, and the example of a sender being unaware of intermediary bank or receiving bank fees was an example of poor practice.
15. On 11 July 2025 the Supervision Hub told you that the references to intermediary banks do not specify if they act on behalf of the sending or receiving banks. It explained that whether the intermediary bank worked for sending or receiving bank may be important to the underlying contractual arrangements for the money transfer.
16. However, the FCA concluded that it is less relevant to the sender, who will want to understand how much they are sending, what the recipient will receive and what fees will be payable by whom. It added that the Publication does not suggest that senders should be responsible for third party charges outside their control but that a firm should explain that charges will be likely.

17. On 18 July 2025 you replied to the FCA that you believe that non-disclosure of intermediary bank fees leads to consumer detriment, in that banks are *'ripping off'* consumers. You subsequently complained to the FCA on 7 August 2025.
18. On 23 September 2025 the FCA issued its Decision Letter. It wrote *"While I appreciate you disagree with the information you have received from the Supervision Hub, there is nothing further I can add to the information you have already been provided. The Supervision Hub have explained the reasoning behind how and why the term intermediaries is used and I can confirm that our responses to your concerns have been discussed with all relevant teams."*
19. On 8 December 2025 you complained to my office.

Analysis

20. I consider that the essence of your complaint is that the Publication allows a lack of transparency in international money transfers which, in your view, causes consumer detriment. In particular, you are concerned that firms offering international money remittance or cross-border payment services are either not required to disclose the fees paid to any intermediary banks or other intermediaries involved in the payment chain, or if they are required, they are not doing it. You believe that this lack of transparency means such firms may be adding charges to consumers that might otherwise be avoided if a full breakdown of fees were provided.
21. I note your concern. However, I consider that the FCA has adequately explained to you that according to good practice, banks are required to disclose the total amount of fees paid whether by the sending or receiving bank. In particular, the FCA has explained that the focus of the Publication is on ensuring that consumers understand the overall cost and outcome of a transaction, rather than the underlying allocation of fees between entities involved in the payment chain. I find this a reasonable approach on the part of the FCA.
22. I also agree with the FCA that consumers are not disadvantaged by not knowing whether an intermediary bank is involved in a transfer or how fees may be divided between the sending bank and any intermediary banks. The allocation of fees between institutions does not affect the overall charge to the consumer where that charge is clearly disclosed.

23. The key point is that the sender is informed of the fees they will be required to pay and the amount that will be transferred. Where a receiving bank may apply a fee on receipt of the funds, this is typically disclosed in advance and, in some cases, the sender may choose to cover all charges so that the recipient receives the full amount.
24. I consider that the FCA's approach towards the Publication regarding fees is reasonable and for the above reasons I do not uphold your complaint.
25. To the extent that you allege that specific banks are not following best practice, I suggest that you provide information about this to the FCA so it can review it in the first instance.

The Complaints Commissioner

Complaints Commissioner

30 March 2026