

The complaint

Miss L complains that Revolut Ltd (“Revolut”) didn’t do enough to recover lost funds after she reported an issue.

What happened

The details of this complaint are well known to both parties, so I won’t repeat them again in full here. Instead, I’ll summarise what happened and focus on giving the reasons for my decision.

Miss L made payments to two individuals in December 2023 and January 2024, expecting to receive items in return. The first payment was to someone she’d had prior dealings with and the second was to someone she considered a friend. But when she didn’t receive the expected items, she reported the matter to Revolut. Revolut hasn’t recovered the funds, so Miss L brought her complaint to our Service.

Revolut said the payments were authorised and that it had provided warnings about the risks involved in the transactions, so said it wasn’t at fault for processing them. It also said it had contacted the beneficiary banks and tried to recover the funds but was unsuccessful on both occasions.

Our investigator considered the complaint. He concluded, in summary, that Revolut had tried to recover the payments by contacting the receiving banks but had been unsuccessful in doing so. He also didn’t think Revolut had acted in error by failing to intervene further with the two payments made. But he did think that Revolut’s communication should have been better – its responses often didn’t answer Miss L’s questions, it provided contradictory information, and it repeatedly declined to call her despite leading her to believe she could book a call. So, he recommended compensation of £100.

Revolut agreed but Miss L asked for an ombudsman’s decision. So the complaint has been passed to me to decide.

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.

Having done so, I’m agreeing with the outcome reached by our investigator – to uphold in part. While I recognise this will come as a disappointment to Miss L, I think £100 for Revolut’s communication errors is fair. But I don’t think it acted in error in relation to the payments, and their recovery. I’ll explain why.

Miss L has explained that she had prior dealings with both payees, with one being a friend who she seemingly has some level of continued contact with. I don’t necessarily see a reason why Revolut should have intervened with the payments at the time Miss L made them. But, had it done so, I think it likely Miss L would still have proceeded with them. She had reason to think she’d receive the respective items, given the history and relationships

with both payees. And this is reflected in the communication with Revolut, with our Service and with questions posed by Revolut at the time of the payment, in which she said she was paying a friend or family member. So I don't think Revolut acted in error by processing the payments.

Once it was made aware of issues with the payments, I note that Revolut attempted to recover the funds by contacting the relevant beneficiary banks. Ultimately, this was unsuccessful.

From the evidence provided, Revolut didn't receive a response in relation to one of the payments. Miss L has told us about the funds involved being held up by the beneficiary bank for various reasons. But I wouldn't expect Revolut to have done more here – this appears to be a matter between the payee and the beneficiary bank. I'm satisfied Revolut took sufficient action by contacting the beneficiary bank. And I note that our Service was advised by the beneficiary bank that no funds remained.

And, for the other payment, the beneficiary bank didn't find the claim to be valid. Again, I'm satisfied Revolut took sufficient action in making contact. Overall, I think Revolut did enough here to try to recover the funds for Miss L, particularly given that both payments would arguably be deemed civil disputes as opposed to scams, which limits the action Revolut would be expected to take.

But, as our investigator concluded, I think the communication from Revolut after Miss L reported the issue was lacking for the reasons outlined above. Given this, I think £100 fairly reflects the trouble and upset caused.

Putting things right

If it hasn't done so already, Revolut Ltd should pay Miss L £100 for the trouble and upset caused by its poor communication.

My final decision

For the reasons given above, I uphold this complaint against Revolut Ltd in part and direct it to pay £100, if it hasn't done so already, within 28 days of acceptance of this decision.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 2 April 2025.

Melanie Roberts
Ombudsman