

The complaint

Mr O complained about the problems he had in contacting Revolut Ltd when there were fraudulent transactions on his account. He was also unhappy because Revolut took a long time to resolve his complaint.

What happened

On 18 August 2022, Mr O was on holiday abroad with his family. He received messages on his Revolut app, about payments being made from his account which he hadn't authorised. He tried to contact Revolut, but the app said his number wasn't recognised, and all the Revolut website numbers he could find just directed him back to the app. Mr O contacted the local police, and emailed Revolut.

Mr O had transferred money into his Revolut account before going on holiday, and on 21 August he discovered that the bank account from which he'd sent the transfer had also been fraudulently accessed. He contacted his other bank, still from abroad, and that bank blocked his card with them to avoid further theft. But Mr O still couldn't get through to Revolut.

A number of phone appointments were set up between Revolut and Mr O. Mr O provided a detailed list of these appointments, some of which were in the middle of the night at the local time for the place where he was on holiday. He said that the booked calls didn't come when agreed. Some came before, some after, and some not at all.

On 2 September Mr O was back in the UK and he sent a complaint to Revolut. He said it had significantly impacted the family trip, as they couldn't access the money they'd saved for the trip. He said he'd also had to cancel many appointments to be present for Revolut phone calls which didn't come, and he was still having trouble with the money not all returned to him.

On 16 September, Revolut spoke to Mr O and told him it was closing his account. On 10 November, Revolut said Mr O should try to contact the account review team as an anonymous user, but said that in the meantime it wasn't upholding his complaint.

Mr O replied, pointing out that he had filed a formal complaint on 2 September, which had included all the communications he'd had with Revolut and his experience to that point. He said that every time he contacted Revolut, he was told it would be escalated but he wasn't contacted until a long time later, when someone else rang and again said it would be escalated. He said that Revolut hadn't taken care of his funds, and he wanted Revolut to listen to all the calls, and read his formal complaint. He said he didn't agree that Revolut had acted fairly when it hadn't taken care of a customer's money.

Mr O contacted this service. Our investigator notified Revolut, and asked it to respond to Mr O's complaint with a final response letter.

Revolut reviewed Mr O's complaint. It reinstated Mr O's account and he could access the app from 14 November. On 5 December Revolut credited Mr O's account with £1,658.19 for all the payments which had gone out of his account since he lost access to it.

Our investigator contacted Revolut again, and it offered Mr O £350 compensation, which the investigator considered was fair. She put this to Mr O, but Mr O didn't agree.

Mr O said that he'd have expected between £1,500 and £5,000 compensation. He pointed out that the bank from which he'd sent money to his Revolut account had blocked his card immediately he'd reported the fraud. When he'd needed immediate help when the app had alerted him to the transactions going on, Revolut couldn't be reached. Nor would it refund his money, and its staff had just told him there was nothing to be done. He said this had impacted him and his family. It had also impacted his health because he'd had to stay up to receive calls from Revolut in different time zones, waiting multiple times for Revolut to ring when it didn't. Mr O said he believed that if he were to take this up legally, it would be justifiable and would cost Revolut more. He asked for an ombudsman's 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.

The outstanding issue for me to decide is how much compensation for distress and inconvenience Revolut should pay Mr O, as it has re-opened his account and refunded the disputed money. To decide this, I've looked carefully at what both sides have said and have provided in evidence.

- I recognise that Mr O had a very difficult experience. It would have been very frustrating to have no effective way of communicating with Revolut when the fraudulent withdrawals had taken place and as a result his app wasn't working. When fraudulent payments were happening, it's understandable that what Mr O wanted would have been a straightforward way of contacting Revolut and an immediate stop on his account – which his other bank provided, but Revolut failed to do. So I consider Revolut let Mr O down.
- I accept Mr O's evidence that Revolut's calls either didn't take place, or not at the agreed times. There were also too many times when Mr O had to send repeat emails because Revolut hadn't dealt with the problem. And when there was contact, he had to start explaining again from the beginning, and wasn't given a solution.
- Mr O complained on 2 September and Revolut issued its final response letter, which declined his complaint, on 10 November. In that letter and its previous letter, Revolut asked for more information, so neither letter was a response which answered Mr O's points and set out Revolut's final position. Revolut didn't re-credit the disputed payments until 5 December. This was a long time for Mr O to wait, and outside the timescales for responding to complaints.

However, when considering the amount of compensation which would be fair and reasonable, I've also borne in mind that:

- as always with a fraud, most of the upset and inconvenience is caused by the fraudster, and sadly it's not possible to obtain compensation from them.
- I recognise that it would have been a disappointment to Mr O's family when their holiday plans were disrupted. But rules mean I can only take into account the distress and inconvenience caused by Revolut to the account holder, and not what was suffered by his family as well.

- Mr O said he believes that if he were to take this to court, it would cost Revolut more than the £1,500 to £5,000 he wants. If Mr O decides not to accept this decision, he's free to consider taking the issue to court.

I find that Mr O had a difficult and frustrating time in trying to communicate with Revolut about the fraud on his account, and waiting for a satisfactory conclusion to his complaint. I consider he suffered much inconvenience and frustration from Revolut's poor customer service. But the figure which Mr O has requested isn't in line with what we would award for this type of complaint. I consider that £350 is fair and reasonable compensation.

My final decision

My final decision is that I uphold this complaint. I order Revolut Ltd to pay Mr O £350 compensation for distress and inconvenience caused by its poor service.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 31 August 2023.

Belinda Knight
Ombudsman