

The complaint

Mr U complains that Revolut Ltd hasn't refunded unauthorised payments on his account.

What happened

In December 2023, Mr U arranged to pay for sponsorship paperwork using his Revolut account. He made one payment towards this, then arranged to meet with the parties in person to finalise the payments in the afternoon on 20 December 2023. Following this meeting, Mr U realised he'd been scammed and had been sent fake paperwork.

Mr U reported the payments that had been made on 20 December 2023 to Revolut on 21 December 2023. He explained he'd been scammed and asked them to help him recover the funds. Revolut did make attempts to do this, but it was only able to recover a small amount of money. Mr U raised a complaint with Revolut about being a scam victim and it not recovering all his funds, but it didn't uphold his complaint.

Mr U came to our Service and at this time he explained he made the first payment to this scam, but the others were done by the scammer on his phone. So he said these were unauthorised and should be refunded. Our Investigator didn't uphold his complaint. Mr U asked for an Ombudsman to reconsider his case.

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 starting position in line with the Payment Services Regulations 2017 ("PSRs"), the relevant legislation here, is that Mr U is liable for payments he's authorised, and Revolut is liable for unauthorised payments.

For a payment to be regarded as authorised, the PSRs explain what steps must be completed. They set out that the payer must have given its consent to the execution of the payment, or a series of payments. And this consent must be given before, or if agreed between parties, after the payment; in the form, and in accordance with the procedure, agreed between the payer and the firm; and can be given via the payee or a payment initiation service provider.

In this case it's not in dispute that the payments were completed using Mr U's device and correctly authenticated using his Revolut banking app. But Mr U argues that they are unauthorised as he says the scammer took his phone and made the payments without his consent.

I've considered Mr U's testimony here, but I have to weigh up this testimony against the other testimony he has given both us and Revolut since reporting this scam. As well as what we know from Mr U were the events that led to these payments.

Mr U drove to meet the scammers in order to make payments to them for sponsorship

paperwork, which I can see he subsequently received, as he sent a copy of an example of this to Revolut. It was on receipt of this paperwork that he reported the scam and at this time he told Revolut he'd received fake paperwork. Mr U explained he'd been scammed and asked Revolut to help him get his money back – he didn't suggest at this time that the payments were made without his agreement. His testimony at this time indicates he was aware the payments had been made and he was instead a scam victim.

Mr U hasn't been able to explain how the scammers would've been able to log into his banking and make the payments without his knowledge or agreement. The payments happen over a period of time; Mr U did meet the parties with the intention of sending this money; his WhatsApp messages suggest he agreed to make these payments; and I can see Mr U did receive some paperwork for this money. All this indicates he was aware payments would be made.

I recognise the paperwork was fake and I fully accept Mr U's been scammed, but it seems he only reported the incident to Revolut once he realised this. I would've expected the first thing Mr U would've reported to Revolut would've been the funds being taken without his consent, not the scam, if he really didn't agree to the payments being taken at the time.

Ultimately, the evidence we've seen indicates Mr U did agree to the payments being made, but understandably he now wants this money back. And I accept that the money was sent for a purpose which the scammer had no intention of fulfilling, but under the PSRs, I consider the payments were authorised.

I have then considered whether Revolut ought to have done more to protect Mr U when the payments were made. But I can see it did question Mr U and provide warnings to him, attempting to educate him about scams and the financial risk it had identified. Mr U has explained he didn't see this, as the scammer had his phone and was making the payments. But I consider Revolut did what it needed to here, so while Mr U may not have seen these warnings, Revolut did provide them and at the appropriate times during the payment journeys. So I can't say it's done anything wrong here.

In relation to recovering Mr U's funds, Revolut has explained the steps it took to recover Mr U's money. I appreciate Mr U's frustration that not all his money was recovered, but I can't say Revolut didn't act appropriately here. It acted promptly and refunded him the funds it could recover within a few days of him reporting the scam. Unfortunately, scammers move money on quickly to avoid having it returned to their victims. I can't say Revolut failed to act as it should have in relation to recovering the funds.

Whilst Mr U has undoubtedly been the victim of a cruel scam and I'm aware this has had a devastating effect on his family's finances, I don't find there were any failings on Revolut's part that would lead me to uphold this complaint.

My final decision

For the reasons set out above, I don't uphold Mr U's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr U to accept or reject my decision before 14 March 2025.

Amy Osborne
Ombudsman