

The complaint

Mr H complains that Revolut Ltd ('Revolut') hasn't refunded the money he lost to a romance scam.

What happened

In April 2024, Mr H began communicating with a scammer he met on a well-known social media platform – which I'll refer to as 'T'. Mr H exchanged phone numbers with the scammer, and they spoke several times, including via video calls. Mr H thought he and the scammer had entered into a romantic relationship and it was agreed that the scammer would visit Mr H in early May 2024.

Around 16 April 2024, the scammer began asking Mr H for financial assistance, such as loaning them money for car repairs and travel expenses. Mr H believed the scammer was about to receive a substantial inheritance payment and that he would be reimbursed when the scammer visited him.

The scammer told Mr H to send funds through T instead of via bank transfer. Between 16 April 2024 and 19 April 2024, Mr H made 15 debit card payments, totalling £394.93, from an account he held with another of his banking providers – which I'll refer to as 'Bank B'. After several payments had been made to T within a short space of time, Bank B blocked Mr H from making further payments to T.

As he could no longer make payments to T using his account with Bank B, Mr H began making debit card payments to T from another of his banking providers – which I'll refer to as 'Bank S'. Between 20 April 2024 and 29 April 2024, Mr H made 45 debit card payments, totalling £3,751.98, to T from his account with Bank S.

On 29 April 2024, Bank S blocked some payment attempts to T, which required Mr H to call Bank S to discuss the activity on his account. Mr H told Bank S that the payments to T hadn't been made by him.

Mr H told Bank S he'd recently fallen victim to an impersonation scam where he'd disclosed some account details which must have allowed a fraudster to access his online banking with Bank S, move funds between his accounts and make the payments to T. In response, Bank S blocked Mr H's account, but before doing so, Mr H moved a large amount of funds from his account with Bank S to his account with Bank B.

Mr H then began moving funds from his account with Bank B to his Revolut account, where he continued making debit card payments to T. Between 30 April 2024 and 3 May 2024, Mr H made 31 debit card payments from his Revolut account to T, totalling £9,771.72.

On 1 May 2024, Bank B became concerned about Mr H moving funds to Revolut and blocked his account. Mr H spoke to Bank B and said the payments to Revolut weren't made by him. He also told Bank B that his account with Bank S had been compromised too. However, the following day, Mr H contacted Bank B again and requested for the blocks on his account to be removed, which they were, allowing him to continue sending money from his account with Bank B to Revolut to fund the further debit card payments he made to T.

When Mr H was expecting the scammer to visit him in early May 2024, suddenly the scammer began making excuses for why they wouldn't be able to visit him. This prompted Mr H to raise a fraud chargeback claim with Revolut on 4 May 2024, for the debit card payments he'd made to T. As Revolut had evidence that the debit card payments had been authorised by Mr H through Revolut's mobile banking app, it rejected Mr H's chargeback claim and declined to raise the situation with T.

Mr H then reported to Revolut (and to Bank B) that he'd been the victim of a romance scam. Revolut said it still had no chargeback rights to pursue the situation with T. And, Revolut said it wasn't responsible for reimbursing Mr H's loss as he had authorised the payments to T. Unhappy with Revolut's response, Mr H referred his complaint to this service.

Our Investigator didn't uphold the complaint. They considered that the pattern of Mr H's debit card payments to T became suspicious enough that Revolut ought to have done more to ensure the payments were being made for a genuine reason. However, they didn't think Mr H would've acted any differently if Revolut had intervened, so they didn't think Revolut was responsible for refunding Mr H's loss. They also agreed with Revolut that there was no reasonable prospect of the chargeback claim succeeding, so they didn't think Revolut had acted incorrectly in not submitting a claim to T.

Mr H didn't accept our Investigator's opinion. He said prior to making the scam payments from his Revolut account, he had spoken with Bank B and revealed that he'd fallen victim to a romance scam. So, he said that if Revolut had also intervened, he would've explained the real reason for making the payments and this would've revealed the scam and prevented his loss.

As an agreement couldn't be reached, the complaint has been referred 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.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the time.

In broad terms, the starting position at law is that an Electronic Money Institution ('EMI') such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

Here, it's not in dispute that Mr H made the scam payments from his Revolut account. So, the payments were authorised and under the Payment Services Regulations, the starting position here is that Mr H is responsible for the payments (and the subsequent loss) despite the payments being made as a result of a scam.

However, that isn't the end of the story. Good industry practice required Revolut to be on the lookout for account activity or payments that were unusual or out of character to the extent that they might indicate a fraud risk. On spotting such a payment, I'd expect it to take steps to warn the customer about the risks of proceeding.

Mr H opened his Revolut account in April 2020, around four years before the scam happened. During that period, Mr H's Revolut account was rarely used, with him only making four payments from the account, totalling £252.31. So, there was very little information available to Revolut to compare the scam payments to. However, Revolut did have some information available to it, which would've allowed it to assess the risks involved in the transactions Mr H was making.

On 30 April 2024, Mr H made ten payments from his account with Bank B into his Revolut account, totalling £4,323.67. He then made 11 debit card payments from his Revolut account to T, totalling £4,294.53. This activity took place between 5:25pm and 11:01pm (a period of less than six hours). It was out of character for Mr H to be depositing funds into his Revolut account and immediately make multiple payments from the account to the same beneficiary on the same day.

To my mind, this activity demonstrated a significant change to Mr H's operation of the account. This was a relatively inactive account, that was suddenly being used to receive funds and immediately send these on in a short period of time. I think a suspicious pattern had emerged, that was consistent with fraudulent behaviour, and Revolut reasonably ought to have considered that Mr H was at heightened risk of financial harm from fraud. In line with good industry practice and regulatory requirements, I'm satisfied that Revolut should've done more to protect Mr H from fraud.

Our Investigator thought Revolut ought to have been concerned enough by scam payment seven – a £984.40 payment on 30 April 2024, which took the total sent to T to £3,277.37 in just four and a half hours. I agree that by the time that payment was made, a suspicious pattern of activity had emerged.

Having thought very carefully about the risk scam payment seven presented, I think a proportionate response would've been for Revolut to have attempted to establish the circumstances surrounding the payment before allowing it to debit Mr H's account. I think it should've done this through human intervention, for example, directing Mr H to its in-app chat function to discuss the payment further.

I can't say for certain what would've happened if Revolut had questioned Mr H about the payments he was making to T – and that's because Revolut didn't ask Mr H any questions about that payment (or any other payments to T). However, I must consider whether the available evidence shows that it was more likely than not that Mr H would've acted differently if Revolut had intervened.

Whilst I don't think Revolut did enough to satisfy itself the payments were being made for a genuine reason, I'm not as persuaded as I'd need to be that Mr H would've acted differently or could've been prevented from sending the funds to the scammer. I'll explain why.

Mr H has said that he believed he was in a romantic relationship with the scammer, and they had spoken on the phone several times, including via video calls. Mr H thought the scammer planned to reimburse him when they were due to meet in person and at the time, Mr H had no reason to believe that wasn't the case. So, it seems unlikely that Mr H would've been receptive to any warnings from Revolut, if it had questioned him about the payments he was making to T.

Bank B had concerns about Mr H's payments to T, resulting in that merchant being blocked. However, this didn't deter Mr H from continuing to make payments to T from his account with Bank S. When Bank S had concerns about Mr H's payments to T, it spoke to Mr H about the payments and Mr H gave inaccurate information that the payments were unauthorised. Again, this didn't deter Mr H from moving his funds from Bank S to Bank B and on to Revolut where he resumed making debit card payments to T.

Even when Bank B had concerns about Mr H's payments to Revolut and blocked his account, Mr H didn't give accurate answers and told Bank B that the payments to Revolut weren't authorised, rather than revealing he was making payments to an individual he'd recently met on social media.

The scammer told Mr H not to make large payments to T and to start off small and to gradually increase the amount. If any payments were flagged as suspicious, Mr H said the scammer instructed him to cancel the transaction and revert back to a payment amount that had previously been successful.

It's unclear why Mr H didn't give accurate answers to Bank S or Bank B when he discussed his payment activity, or why he ignored the scammer's instructions on what to do if questioned. However, there's very little evidence available to suggest that if Revolut had asked him about the payments he was making to T that he would've answered accurately.

I don't think Revolut would've been able to uncover that Mr H was falling victim to a romance scam if it had spoken to him, as I think it's more likely than not that Mr H wouldn't have revealed the correct purpose for the payment. As a result, any warnings Revolut could've given for that payment (or subsequent payments) wouldn't have been relevant to Mr H's circumstances and therefore wouldn't have resonated with him at the time. And, as he hadn't been deterred from sending funds when Bank B and Bank S restricted his accounts, I think it's more likely than not that any warnings Revolut could've given would've been ignored.

Even if Mr H's answers hadn't held up to scrutiny and Revolut prevented him sending funds to T, I think Mr H would've more likely than not used a different account to continue sending funds to T (as he'd done when Bank B and Bank S blocked payments to T) or found a new payment method. I say this because Mr H was under the impression that the scammer (whom he thought he was in a romantic relationship with) was going to reimburse him for the payments, which is why he continued making payments to T, despite Bank B and Bank S restricting his accounts.

Mr H says that whilst he didn't give Bank S accurate information about what happened when it blocked his account on 29 April 2024, he subsequently spoke to Bank B and disclosed the real purpose of the payments he was making from Bank B to Revolut – and that this conversation took place *before* he lost money via Revolut. He says this demonstrates that if Revolut had intervened and questioned the transactions he was making to T from his Revolut account that he would've revealed the truth about why he was making the payments and that would've been enough to stop the scam.

I've listened to the calls between Mr H and Bank B, which took place between 1 May 2024 and 4 May 2024. During those calls, it was only *after* Mr H had discovered he'd been the victim of a romance scam on 4 May 2024 that he revealed this to Bank B – and this happened *after* the final scam payment from Mr H's Revolut account.

I've been provided with no evidence that suggests Mr H disclosed details of the romance scam to Bank B *before* he made payments from his Revolut account. As a result, I'm still not persuaded that Mr H would've answered accurately if Revolut had asked him about the payments to T. I accept that during the scam, Mr H wasn't provided with any scam advice from Revolut or from the firms where the money originated. I accept the possibility that Mr H would've been receptive to a scam warning. But I'm also mindful that when Bank S and Bank B questioned him, he didn't provide accurate answers, preventing the romance scam from being identified.

I'd like to assure Mr H that I've thought very carefully about whether appropriate intervention from Revolut could've prevented the scam. But based on the evidence I've seen, I don't think Revolut could've prevented him going ahead with the scam payments, such was his belief that the scammer was genuine. As a result, I'm not persuaded interventions from Revolut would've ultimately prevented his loss, as I don't think warnings would've been able to overcome the belief Mr H had that the scammer was genuine.

Mr H's scam payments were all debit card payments to T. So, I've thought about whether Revolut could've taken any steps to recover Mr H's loss through VISA's chargeback scheme.

There is no statutory right for a chargeback to be raised and a chargeback is not an absolute right for consumers. Here, the debit card payments went to T – a genuine merchant – and there's been no suggestion that T didn't provide the service it was paid for, or that there were any issues or errors when the service was performed. So, a chargeback against T wouldn't have had any reasonable prospect of success and would've most likely been defended by T.

I wouldn't expect Revolut to raise a chargeback that had little prospect of success. As a result, I don't find that Revolut acted unfairly in not raising a chargeback with T. So, I'm satisfied that Revolut couldn't have reasonably done anything further to recover Mr H's loss.

I appreciate that at the time Mr H was scammed, he was suffering with several medical conditions, for which he was taking a lot of medication for. I understand why he thinks this impacted his decision making and how the scammer was able to exploit his vulnerabilities.

I've seen nothing to suggest Revolut was aware of Mr H's circumstances at the time the scam payments were made or that Revolut failed to adhere to any additional measures that were in place to help keep Mr H safe from financial harm. As a result, whilst I'm sympathetic to Mr H's circumstances, I can't say that Revolut can fairly and reasonably be held responsible for his loss as a result of his medical conditions.

I accept that Mr H has been taken advantage of and fallen victim to a ruthless scam, orchestrated by someone he thought he could trust. I don't doubt that the whole ordeal has been very distressing for him. However, I'm not persuaded Revolut could've reasonably been expected to prevent the loss or done anything to recover Mr H's funds. As a result, I can't fairly hold Revolut responsible for reimbursing Mr H's loss.

My final decision

For the reasons explained above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 25 June 2025.

Liam Davies
Ombudsman