

The complaint

Mr N complains about the actions of Revolut Ltd when he lost money to a scam.

Mr N is being represented by a claims management company but, for ease of reading, I'll only refer to Mr N.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Around February 2023 Mr N started talking to a third-party on social media. The third-party (scammer) then said that she needed money for a variety of things such as rent, school fees, a phone, day-to-day spending and flights to the UK. Mr N made the payments from an account he held with another bank – I'll refer to here as 'E' - via crypto exchanges. He then started making payments from E to Revolut before sending the money from his Revolut account to crypto exchanges and onto the scammer. In total he sent around £21,629 from his Revolut account between 08 March 2023 and 04 August 2023.

In August 2023 E stopped a payment to Revolut for £5,000 and asked Mr N why he was making it. Following the questions E asked, it told Mr N that it thought he was likely being scammed and it placed a block on his account. Mr N then reported the scam to Revolut on 09 August 2023. However, Mr N continued to send money to the scammer via accounts he held at other money transfer companies.

In November 2023 Mr N made a complaint to Revolut but Revolut said it wouldn't be offering him a refund as it hadn't done anything wrong. Unhappy with this response, Mr N brought his complaint to the Financial Ombudsman.

Our Investigator didn't think the complaint should be upheld. He said that Revolut should've stepped in here and asked Mr N questions about why he was sending the payments. But he didn't think this would make a difference because Mr N was given a clear warning by E that he was being scammed but chose to ignore that warning and carried on making payments. As a result, he didn't think any intervention from Revolut would've made a difference.

Mr N disagreed and asked for an Ombudsman's review. He said that if he had been warned by Revolut this would've made a difference. He said his account should've been locked so that he couldn't make any further payments.

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've reached the same conclusion as our investigator. And for largely the same reasons. I'm sorry to hear that Mr N has been the victim of a cruel scam. I know he

feels strongly about this complaint and this will come as a disappointment to him, so I'll explain why.

I've read and considered the whole file. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome.

Where the evidence is incomplete, inconclusive, or contradictory, I have to make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

I've firstly considered whether Revolut should've done more to stop all the payments Mr N made towards this scam. It is common ground that Mr N authorised the scam payments here. I accept that these were authorised payments even though Mr N was the victim of a scam. So, although it wasn't his intention to pay money to the scammers, under the Payment Services Regulations 2017 (PSRs) and the terms of his account, Mr N is presumed liable for the loss in the first instance.

However, taking into account the law, regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Revolut to take additional steps or make additional checks before processing a payment in order to help protect customers from the possibility of financial harm from fraud. So, I have looked into what this means for this case and whether Revolut should have done more here to prevent the payments in dispute.

Having done so I agree with the Investigator that Revolut should've stopped some of the payments here but that wouldn't have likely made any difference. I'll explain why.

In August 2023, Mr N said he raised the scam to Revolut because he said he lost contact with the scammer. But there were further payments to the scammer up until October 2023. Mr N has said that there was then further contact with the scammer, and he started to send her more payments after he was persuaded this wasn't a scam.

On 07 August 2023 Mr N spoke to E after he attempted to send £5,000 to his Revolut account. Mr N was asked why he was sending the money that day and was asked about previous payments to crypto exchanges. During that conversation, Mr N told E that he was moving the money to Revolut for a holiday. After being asked if he was investing Mr N said initially that there was no third-party involved and that it was a friend who had introduced him to crypto. He was then asked why he was sending money to Revolut and he said that it was for crypto payments, some purchases and also to lend money to a friend. E was then able to ask probing questions about how he had met that friend and why he was sending money to her. At that point, Mr N explained the reasons for sending the money to Revolut and then onto crypto exchanges where he would then send the crypto to the scammer. E continued to question Mr N about the third-party and eventually asked him to provide evidence to substantiate the scammer's existence and story for needing this money before it would allow any further payments. Mr N collected some evidence and sent this to E but E's suspicions that this was likely a romance scam were not allayed. E once again told Mr N this was likely a scam in a telephone call on 09 August 2023 with Mr N saying he didn't think it was a scam.

On 11 August 2023 Mr N attempted a £1,500 payment from E. When E spoke to him about the payment, he at first said that this was for a friend who had lent him money to send to the scammer before later admitting that it wasn't to a legitimate friend but to the scammer. E is then told by Mr N that he thinks the scammer is coming to see him later than month. His

account with E remained blocked at the time. A conversation with E then took place on 15 August 2023 where Mr N admitted that he had likely been scammed, and he told E that he had reported this to Revolut (which he did on 09 August 2023). The block on his account with E was then lifted.

I've seen the spreadsheet that Mr N provided to this service which shows all the payments he made to the scammer during 2023. This shows that after his conversations with E and Revolut he continued to send money to the scammer. I've seen payments via a payment transfer service of over £1,000 on 10 August 2023 – the day after he reported the scam to Revolut. He then sent around £10,000 to the scammer during the rest of August 2023 before sending around £9,600 in September 2023 and around £5,200 in October 2023.

I've thought about the steps Revolut would take when unusual and suspicious payments are sent from its account. I'm not going to explicitly say at which point it should've stopped the payments because, like the Investigator, I don't think this would've made a difference. But by considering what likely steps Revolut should've taken, I think it will help explain why I don't think it could've uncovered this scam, nor do I think Mr N would've stopped making the payments.

At first, I think Revolut should've provided a generic crypto investment automated warning to Mr N, which wouldn't have resonated with him at the time as he wasn't investing his money. So, any such warning about investments and sending money to crypto exchanges would've likely been ignored by Mr N. As further payments were made, I'd expect Revolut to stop a payment that was showing further signs of a pattern of spending Revolut should've been concerned about and it should've invited Mr N to discuss the payment and explain why he was making it. At that point, I think Mr N wouldn't have been truthful about the payment to the crypto exchange and he would've likely told Revolut that he was sending the money to crypto exchange of his own accord, he had done his own research and that no one else was involved in the payments – like he did to E. At that point Revolut would've most likely provided further warnings in the app about investing in crypto. And again, these wouldn't have been effective for Mr N as he wasn't investing his money.

As a result, I think any further interventions from Revolut wouldn't have likely uncovered the scam. I'm not satisfied Mr N would've told Revolut in the chat that there were any third parties involved in the payments and that he was making the payments by himself. So, I don't think Revolut would've been able to uncover any third-party involvement and ask any probing questions like E was able to. That's because the interventions by E were over the phone about the payments that were being made to the Revolut account. It was also able to draw on the previous payments to crypto around the same time to ask why those were being made as well as why he was sending so much money to Revolut. However, the payments from the Revolut account at the time were very limited. The statements show payments to a subscription service and the odd day-to-day spending whilst the scam payments were being made. And by the time some larger payments of £2,035.38 and £3,500 were made later in the scam, a pattern of spending had been established on the account as these payments took place between March and August 2023.

So, I don't think I can reasonably say Revolut would've been able to uncover this scam. And it's also worth noting that after self-reporting the scam to Revolut and being told clearly by E that he was being scammed, Mr N was still sending money to the scammer. There was no break in his payments after the scam was reported – just a continuous pattern of spending to the scammer. This persuades me that Mr N was so under the spell of the scammer that even after clear warnings from E and having his account blocked – money was still sent towards this scam.

So, I'm not going to ask Revolut to refund any of the payments Mr N made towards this scam here.

Recovery

I've also thought about whether Revolut could have done more to attempt to recover the payments after Mr N reported the fraud. However, for the funds that were sent to the crypto exchanges these were forwarded on from the crypto exchanges to the scammer as part of the scam. So once Mr N had done that, which it seems he did so as soon as the money reached the exchanges, there was then no money in which to recover.

I note that one of the chargebacks raised by Revolut was refunded to Mr N (£15). But this was only refunded because the crypto exchange didn't respond in time. As a result, there were no other avenues for Revolut to try and recover Mr N's money here.

I appreciate this will come as a disappointment to Mr N, and I'm sorry to hear that he has been the victim of a cruel scam. However, I can't reasonably say that Revolut can fairly or reasonably be held liable for Mr N's loss in these circumstances.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr N to accept or reject my decision before 16 June 2025.

Mark Dobson
Ombudsman