

The complaint

Ms T complains that Revolut Ltd has declined to refund a payment she says she didn't make.

What happened

As both parties are familiar with the facts of this case, I'll summarise it briefly.

In November 2023, Ms T received a call from a scammer impersonating a well-known e-commerce company that she had an account with. She was told her account had been compromised and her money was at risk. Ms T was then persuaded to open an account with Revolut and move funds from another account she held to Revolut to keep them safe.

Ms T is disputing a payment out of her Revolut account for £2,639 on 27 November 2023, which she says she didn't make.

Revolut declined to refund the payment. It concluded the payment was authorised and said that it had spoken to Ms T at the time (using the in-app chat) and given her a warnings about the payee details not matching and about impersonation scams. Revolut says that in this chat Ms T confirmed the payment was genuine and to her own external account. But it paid her £50 compensation for the inconvenience she experienced.

Ms T says this wasn't her and that they must have been speaking to the scammer. She had downloaded remote access software and followed their instructions but never engaged in a chat or made the disputed payment.

When Ms T referred her complaint to our service, the investigator upheld it. In summary, they thought Revolut had fairly concluded that the disputed payment was authorised by Ms T, but they thought it would be fair to hold Revolut responsible for its delay in attempting to recover Ms T's funds, and that it was likely she would have recovered her funds had it acted in line with best practice standards.

Revolut didn't agree – it said the delay in attempting to recover Ms T's funds was because of how she had reported the scam – it initially investigated her allegation of an unauthorised payment. Revolut raised concerns about her honesty as well as saying she had contributed to her own losses.

So, the matter has been passed to me for a decision by an ombudsman.

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 the investigator for similar reasons.

Did Revolut act fairly in treating the disputed payment as authorised?

The starting point in law is that Ms T is liable for payments that she authorised, and that Revolut should reimburse unauthorised payments.

It isn't in dispute that Ms T has been the victim of a scam and that as part of this scam she opened a Revolut account thinking she needed to move her funds to keep them safe. I understand Ms T says she didn't authorise the payment out of her Revolut account, but based on the evidence provided by Revolut, I think it's more likely than not that she did.

Revolut has shown us that only one device was connected to Ms T's Revolut account. While Ms T had remote access software on her android device, and so it's possible it was being controlled by the scammer, I don't think this is the most likely scenario in the circumstances. This is because Revolut has told us that the pages accessed to make this payment would have appeared blank had remote access been used at the time. And given the steps that took place in relation to this payment, such as additional questions, warnings, and an in-app chat, it's unlikely that a scammer could have navigated this without being able to see the pages. So, I think it's more likely that under the coaching of the scammer, and believing she was taking steps to either keep her money safe or move it somewhere safe, Ms T made the payment to a third party.

Are there any other reasons it would be fair for Revolut to reimburse Ms T?

Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, I think Revolut ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

Here, based on the information it held, Revolut did identify the concerns I'd expect it to in the circumstances. And I think it undertook a proportionate level of intervention, including asking relevant questions and providing relevant tailored warnings. I'm not going to go on to make detailed findings on this subject though, as there is a different reason that I think it would be fair for Revolut to reimburse Ms T.

There is a long-established good industry practice around the steps a business, such as Revolut, should take upon being made aware that their customer's funds have been transferred as part of a scam. The Best Practice Standards for the recovery of funds lost to an APP scam say that a business ought to have contacted the account provider that received the funds 'immediately'. Exactly what 'immediately' means isn't defined within the standards. But I consider it fair and reasonable to say that an hour is an appropriate interpretation. And this reporting ought to be taking place 24/7. I don't think a business needs to be a signatory to this for it to be fair and reasonable to apply this expectation.

Here, Ms T reported the scam to Revolut around 5 hours after the payment was made on 27 November 2023, but Revolut didn't attempt to contact the receiving bank until April 2024. Our service has asked Revolut if it has any evidence that this delay didn't have a material impact on whether it could have recovered any funds for Ms T, but it hasn't provided anything to support this.

So, given how quickly Ms T reported the scam, and that the funds went to a UK account, I think that had Revolut taken appropriate steps to recover her funds in the timeframe set out above, it's more likely than not she would have been able to recover her funds in full.

I understand Revolut says it didn't initially attempt to recover Ms T's funds because of how she reported the matter – and that when she had said the payment was unauthorised, it investigated that issue instead. But I think Ms T was clear from the beginning that she was the victim of an impersonation scam. Ms T explained she had been told her account had

been 'hacked' and she needed to open a Revolut account. So, while she later clarified that she disputed making the payment, I think Revolut had enough information that it would have been in line with good industry practice to attempt to recover her funds.

I don't think it would be fair to characterise Ms T's fraud reporting as dishonest or deliberately misleading – I think it's understandable that Ms T might be confused about what had happened in the moment. For example, she may have believed she was trying to move funds back to her genuine account and that the payment that did take place was unauthorised. Revolut is the professional here and should have recognised the urgency in attempting to recover funds quickly when a scam is reported.

Revolut has suggested Ms T's redress should be reduced to account for her own actions, including the plausibility of the scam and ignoring the warnings provided. But I don't find such a deduction should fairly or reasonably be applied here. Regardless of how reasonable Ms T's actions may or may not have been, I've found it likely her losses could have been recovered, and without loss to either her or Revolut.

Revolut has paid Ms T £50 compensation for the inconvenience she's experienced. I don't think it needs to increase this award - it wasn't Revolut's fault that Ms T fell victim to a scam and I'm making an interest award to reflect the time she's been without her funds.

My final decision

My final decision is the Revolut Ltd should do the following:

1. Reimburse Ms T the disputed payment of £2,639.
2. Pay Ms T simple interest on this amount, at a rate of 8% per year from the date she reported the scam (27 November 2023) to the date of settlement.

Interest is intended to compensate Ms T for the period she was unable to use this money. If HM Revenue & Customs (HMRC) requires Revolut Ltd to deduct tax from any interest, Revolut Ltd must provide Ms T with a certificate showing how much tax has been deducted if she asks for one.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 18 April 2025.

Stephanie Mitchell
Ombudsman