

The complaint

Miss M complains Revolut Ltd (“Revolut”) declined to refund a payment after she fell victim to a scam.

What happened

Miss M opened an account with an e-commerce company. She listed items to sell and after believing she’d sold an item, she was contacted on the platform by an agent and told she needed to verify her account. She was told to open an account with Revolut and top it up by £200 as part of the verification. She said she was told she needed to make a test payment that would be refunded shortly after.

Miss M provided the agent her Revolut card details and was told to approve the payment in her banking app. A payment was then made to a merchant I’ll call ‘W’ for £195 on 27 March 2024. She realised she’d been scammed when the payment wasn’t returned, and she was asked to top-up her Revolut account again. So she reported this to Revolut on the same day.

Revolut contacted Miss M on 28 March 2024 saying it had no dispute rights because the payment was a money transfer, so it couldn’t dispute the payment. After a complaint was made, Revolut issued its final response and said it couldn’t raise a chargeback as it didn’t meet the criteria set within the card scheme provider’s rules. Unhappy with its response, Miss M referred her complaint to our Service.

One of our investigators looked into the complaint but didn’t uphold it. They said Miss M had authorised the payment and because Revolut couldn’t have done anything to stop or recover the payment, it wasn’t liable for her loss. Miss M didn’t agree. She said it didn’t matter that it was an authorised payment, she had been scammed and £195 was a lot of money to her.

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 don’t uphold this complaint for the following reasons:

- It isn’t in dispute that Miss M authorised the payment in question. Whilst it was the fraudster that initiated the payment on W’s website using her card details, it was Miss M who approved it in her banking app. She’s told us she did so believing that a payment was being made when verifying her e-commerce account that she thought would be refunded shortly after. Although she was tricked into believing the money would be refunded, as she understood that her card details would be used for making a payment, and by approving the transaction in her banking app the payment would leave her account, in line with the Payment Services Regulations 2017 - which is the relevant legislation here - the payment would be considered as having been authorised by Miss M. And so, she’s presumed liable for the loss in the first instance.

- There are circumstances when it might be appropriate for payment service providers to take additional steps before executing a payment transaction. Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, Revolut ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.
- I have reviewed Miss M's account and the payment she authorised as part of the scam. While I recognise the amount in question is significant to Miss M, having considered the payment's value and who it was made to, I'm not persuaded Revolut ought to have found the payment suspicious, such that it ought to have made enquires of Miss M before processing it.
- Once the transaction was processed by Revolut, it wouldn't have been able to stop the funds from leaving the account. I've considered whether Revolut did enough to try and recover Miss M's loss upon being made aware of the scam.
- A recovery option that would have been available to Revolut would have been through the chargeback scheme. This is a scheme run by the card scheme provider to resolve payment disputes between customers and merchants – subject to the rules they set. The scheme is voluntary and limited in scope and being scammed isn't one of the reasons available to Revolut to present a chargeback.
- As W provides money transfer services, it seems more likely than not W provided the expected goods/service by transferring the money in line with the payment request it received. I therefore think it was reasonable Revolut didn't try to charge back the card payment as I don't think it's likely that the claim would have succeeded.

Whilst Miss M has undoubtedly been the victim of a cruel scam and I appreciate this has been a significant loss for her, I don't find there were any failings on Revolut's part that would lead me to uphold this complaint for the reasons I've explained above.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 21 May 2025.

Timothy Doe
Ombudsman