

The complaint

Miss S complains about Revolut Ltd.

She says that Revolut didn't do enough to protect her when she fell victim to a scam and would like it to refund her the money she has lost as a result.

What happened

Miss S came across an investment opportunity while browsing social media. She had hoped that this would be an opportunity for her to earn some money and made contact.

Miss S was provided with access to a portal, where she could see her investment and began depositing funds. Later, she was persuaded to make further payments supposedly as an advance fee for a loan which she could use to make more profits. However, when she tried to make a withdrawal, she was unable to and realised she had been scammed.

Miss S made payments totalling a loss of £59,778.86 towards the scam from her account with Revolut.

Miss S made a complaint to Revolut about what had happened, but it didn't uphold her complaint, so it was brought to this Service.

Our Investigator looked into things and thought that Miss S's complaint should be upheld in part. Miss S accepted this, but Revolut did not.

In summary, Revolut said;

- It has no legal duty to prevent scams and no obligation to reimburse scam victims outside of the FPS and CHAPS Reimbursement Rules, which do not apply to these payments.
- While it has adequate systems in place to counter the risks of financial crime, it is contractually obliged to execute valid payment instructions, with limited exceptions.
- Payments to a customer's own account don't meet the definition of an APP scam. It shouldn't be responsible for its customer's loss where it is only an intermediate link in a chain of transactions.
- The role of other financial businesses (including any interventions or warnings they might have provided) needs to be considered.
- The Financial Ombudsman should inform the complainant that it might be appropriate to make a complaint against another respondent.

As no agreement was reached, the complaint has been passed to me to make a final decision.

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 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.

But, taking into account relevant law, regulators' rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud. This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment;
- have been mindful of – among other things – common scam scenarios, how fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

Looking at the payments, I think that Revolut should have had concerns from the first payment Miss S made – and it appears that Revolut shared this concern as it did intervene with this payment, and Miss S was directed to its in-app chat to discuss the payment.

Revolut says that it provided good warnings to Miss S – and that its intervention went far enough. It has also said that Miss S misled it during questioning. However, I don't think that Revolut went as far as it should have done to get to the heart of the matter and discover what was really going on.

Revolut asked Miss S how she had found out about the investment – and Miss S told it she had found out through friends and family. While this wasn't the case, I think that Revolut should have gone further to ask her what her friends had told her, how the investment worked, and what returns were expected, especially due to the amount of money involved (£10,000), and given it should have known that the funds were going to crypto, which carries a higher risk. Miss S hadn't been coached – and I think that she would have struggled to answer these questions without Revolut picking up that it was very likely she was being scammed. While I acknowledge that Miss S was warned about mis-leading Revolut, I still think that it missed an opportunity to probe further.

Revolut did ask her for the statements from her crypto account, but it didn't ask any questions about what would happen to the funds once they had reached this destination. It also asked her for communication from the person who introduced her to the investment –

but this wasn't received – however Revolut unblocked the payment anyway. Had it waited to receive this, then I think it would have seen that this was a scam.

Had Revolut taken further steps as described above, I think that it would have had enough to provide Miss S with a warning that she was very likely being scammed and informed her of how crypto investment scams work – and I don't think that Miss S would have continued had it told her this.

Is it fair and reasonable for Revolut to be held responsible for Miss S's loss?

I have taken into account that Miss S remained in control of her money after making the payments from Revolut. It wasn't lost until they took further steps. But Revolut should still have recognised that Miss S was at risk of financial harm from fraud, made further enquiries when it intervened and ultimately prevented Miss S's loss. I think Revolut can fairly be held responsible for Miss S's loss in such circumstances.

Revolut has addressed an Administrative Court judgment, which was referred to in a decision on a separate complaint. As I have not referred to or relied on that judgment in reaching my conclusion in relation to the losses for which I consider it fair and reasonable to hold Revolut responsible, I do not intend to comment on it. I note that Revolut says that it has not asked me to analyse how damages would be apportioned in a hypothetical civil action but, rather, it is asking me to consider all of the facts of the case before me when considering what is fair and reasonable, including the role of all the other financial institutions involved.

Miss S has also brought a complaint to this Service about her bank 'L', which I have also considered. As there were also failings by L, I have set out the redress accordingly.

Should Miss S bear any responsibility for their losses?

Miss S has already accepted the view of our Investigator regarding her liability for the losses she has incurred, so I won't go into too much detail here. In summary, I don't think that Miss S was as careful as she should have been before agreeing to part with her money – there was not enough research into what she was doing on her part – and although I don't think that either L or Revolut went as far as they should have in uncovering the scam, Miss S was provided with some warnings about providing misleading information and the dangers of investment scams.

Therefore, I agree with our Investigator that liability for the loss should be split between Miss S, L, and Revolut, which I have set out below.

Liability split

As the initial transfers from L to Miss S's account with Revolut were relatively small, I haven't held L liable for the first payment. Therefore, liability for the first payment of £10,000 should be split between Revolut and Miss S on a 50% basis.

Payments between 24 October 2023 and 19 January 2024 were funded by transfers from Miss S's account with L, therefore liability for these payments should be split between L, Miss S and Revolut on a 33% basis.

Payments after 20 January 2024 were no longer funded by Miss S's account with L, therefore liability should be split between Miss S and Revolut on a 50% basis.

Putting things right

Revolut Ltd should refund Miss S as set out above, and on top of this, from the date of payment(s) until settlement pay 8% simple interest (less any lawfully deductible tax)

My final decision

I uphold this complaint in part.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 19 September 2025.

Claire Pugh
Ombudsman