

The complaint

Mr H is complaining that Revolut Ltd hasn't agreed to refund a payment he made to a scam.

What happened

The circumstances of this complaint are known to both parties so I'm only going to summarise them here.

Mr H was using an online marketplace as a seller. In June 2024 he was contacted by what he thought was the marketplace telling him his account had been suspended, and he would be required to verify his details to regain access. He was sent a link to enter his card details to verify his account.

Mr H followed the link and instructions he'd been given, entering his card details and then following the stronger authentication process on Revolut's app. A payment of £395 to a money transfer service (the merchant) was taken from his account.

Mr H quickly realised that he'd been scammed, and he contacted Revolut to report what had happened and to ask it to stop the payment. But Revolut told him it couldn't be stopped. Mr H submitted a chargeback claim to Revolut on the grounds that the transaction was fraudulent, but Revolut didn't process it because it concluded he had authorised the payment. Mr H then asked if he could submit another chargeback claim on the basis that goods and services hadn't been received, but Revolut told him he couldn't submit the claim again.

Mr H raised a complaint with Revolut, and it issued its final response, explaining that it wouldn't be refunding the payment and that there were no valid grounds for a chargeback claim to be raised. Mr H brought his complaint to the Financial Ombudsman Service.

Our Investigator looked into what happened, but they didn't think Revolut ought to refund the payment Mr H had made. They said that they thought he had authorised the payment, because it would have been clear that he was making a payment when he was asked to authenticate it. They didn't think the payment would have looked unusual or suspicious to Revolut, such that it should have contacted Mr H before processing it. And they didn't think Revolut was unreasonable not to raise a chargeback claim as it was unlikely to have succeeded.

Mr H didn't agree with the Investigator's findings, so his complaint has been passed to me for review and 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.

I'm sorry to disappoint Mr H but I'm not upholding his complaint, for much the same reasons as the Investigator.

Did Mr H authorise the payment?

I appreciate that Mr H has now explained that he did authorise the payment, but when he brought his complaint to us, he told us he wasn't aware he was making a payment, so I think it's important to set out why I do consider it to have been authorised.

The relevant law here is the Payment Services Regulations 2017 – these set out what is needed for a payment to be authorised and who has liability for disputed payments in different situations. With some exceptions, the starting point is that the consumer is responsible for authorised payments, and the business is responsible for unauthorised payments.

The PSRs specify that authorisation depends on whether the payment transactions were authenticated correctly – and whether Mr H, or someone acting on his behalf, consented to them. Consent must be in the form and in accordance with the procedure agreed between the consumer and the payment service provider. In other words, consent is provided when the consumer completes the agreed steps for making a transaction or allows someone else to complete some or all of them.

To establish the agreed form and procedure, I've reviewed the terms and conditions of Mr H's account with Revolut. These don't set out in detail how Mr H consents to making payments using his card. So, I've thought about what practical steps are needed to make payments using a card. It seems Mr H (or someone with his permission) needed to provide his card details to the merchant and if prompted, provide the CVV and complete a stronger authentication process.

When Mr H initially reported the scam to Revolut, he said that he was told a payment would be temporarily taken and then refunded. And from what Mr H has said about attempting to make the payment a number of times before it was processed, it seems to me that he was entering his card details directly into the merchant's website to make a payment (rather than the scammer obtaining his card details from the link and entering them into the merchant's website). So, it seems likely he completed the agreed steps to make the payment and so consented to it.

But even if Mr H wasn't aware he was making a payment at the time he entered his card details (and it was the scammer who entered the details into the merchant's website after tricking Mr H into sharing them) Revolut says the payment was authorised as Mr H confirmed the payment in its app. It's sent us some screenshots to show that the process flow here has steps which involve being shown a notification which says a payment is waiting to be reviewed, which then opens a screen in the app asking for the payment to be reviewed. The payment amount and who it's being made to is shown on the screen with an option to confirm or reject the payment. So, I think it would have been clear that Mr H was approving a payment when he pressed confirm.

Overall, I'm satisfied that the payment was correctly authenticated using Mr H's card information and the stronger authentication process. I think that by completing these steps, Mr H represented to Revolut that the payment instruction was genuine. I understand that Mr H was tricked into making the payment, but that's not a consideration under the PSRs in whether the payment was authorised. So, it's reasonable for Revolut to treat the payment as having been authorised and as such it isn't obliged to provide a refund.

Should Revolut have recognised the scam and intervened?

I've concluded the payment was authorised, so I've gone on to consider if Revolut should have done anything to prevent the payment Mr H made to the scam.

When a payment is authorised, Revolut has a duty to act on the payment instruction. But in some circumstances, it should take a closer look at the circumstances of the payment – for example, if it ought to be alert to a fraud risk, because the transaction is unusual, or looks out of character or suspicious. And if so, it should intervene, for example, by contacting the customer directly, before releasing the payments. I'd expect any intervention to be proportionate to the circumstances of the payment.

But I've also kept in mind that Revolut processes high volumes of transactions each day. There is a balance for it to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate.

I agree with the Investigator that I wouldn't have expected Revolut to have intervened here. Although Mr H hadn't made a payment of this value before, it wasn't significant in the context of the payments Revolut processes every day and it wasn't of a value where I think Revolut ought to have been concerned that Mr H was at a heightened risk of financial harm through a scam.

It's true that a number of payment attempts were made before the payment was finally processed. It was attempted twice with a disposable card which can't be used to make payments to this merchant, it was then reverted by the merchant (although Revolut isn't aware of the reason for this) and then attempted by the merchant without in-app authentication. However, I don't think Revolut ought to have been particularly concerned about a scam risk because of these payment attempts, in the absence of any other concerning factors.

I note that Mr H has provided evidence that he's now registered as a vulnerable customer with Revolut, and he also says he alerted Revolut of this at the time he opened the account. But Revolut has confirmed it wasn't aware of any potential vulnerabilities at the time the payment was made, and I can't see that it had agreed to put any additional measures in place to protect Mr H from the risk of a scam because he's vulnerable. So, in all the circumstances here I don't consider that it ought to have done anything differently because of Mr H's vulnerability.

Overall, I don't think this payment ought to have caused Revolut to be sufficiently concerned about a scam risk that it ought to have intervened with a warning, or by contacting Mr H directly. So, I don't think Revolut ought reasonably to have done anything here to prevent Mr H from making the payment.

Could Revolut have done more to recover the payment?

The payment was made by debit card, and as such once it had been authorised it wasn't possible for Revolut to cancel it, even in a pending state.

It's possible to dispute a debit card payment through a process called chargeback, which can sometimes be attempted if something has gone wrong with a debit card purchase, subject to the relevant card scheme's rules. Revolut didn't raise a chargeback claim when Mr H disputed the payment, but I'm satisfied that there would have been little prospect of a chargeback being successful here under the rules. I say this because I've concluded the payment was authorised by Mr H, and also because the payment was made to a legitimate money transfer service which would have provided the service paid for, which was transferring the funds into the third party's account.

I do appreciate why this is frustrating for Mr H – especially as I can see that the money transfer service has told him to ask Revolut to raise a chargeback to reverse the transaction. But notwithstanding this, I can't see that a valid reason for a chargeback claim exists under

the card scheme's rules, and in these circumstances, I can't reasonably conclude that Revolut should have attempted it.

Mr H has also referred to the APP scam reimbursement rules which came into force in late 2024, but this payment was made by debit card and isn't a "push" payment, so wouldn't be covered under the rules even if they'd been in place at the time of the payment.

I'm really sorry to disappoint Mr H as I can see that he feels strongly about what's happened here. As the victim of a cruel scam, I can understand why he'd think he should get his money back. But I've not found that there are any grounds for me to direct Revolut to refund the disputed payment to him.

My final decision

My final decision is that I'm not upholding Mr H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 28 October 2025.

Helen Sutcliffe
Ombudsman