

## **The complaint**

Mrs S complains that Revolut Ltd will not refund money she lost to a scam.

## **What happened**

The background to this complaint is not in dispute and is well known to both parties so I won't repeat it in detail here.

In summary, Mrs S said that on 7 October 2024 she received a phone call from someone claiming to be a representative of the Court of Appeals stating that she had evaded tax and demanding she make payment to avoid court proceedings. As such Mrs S made two payments to a money transfer service for a total of £988.13.

Mrs S said she became suspicious when she received a further request apparently from the HMRC to pay £2,945 to clear the allegations. Mrs S raised the matter with Revolut but it didn't reimburse the payments she made and it didn't uphold her complaint.

Our investigator didn't think there were sufficient grounds for Revolut to think Mrs S was at risk of financial harm from fraud when she made the payments. As such he didn't think the complaint should be upheld.

Mrs S didn't accept our investigator's opinion and asked for an ombudsman's decision. So, the complaint has been passed to me to decide.

## **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 agree with the outcome our investigator reached and for similar reasons.

Firstly, I want to clarify that I've taken into account the detailed submissions from both parties in reaching my decision. However, if there's something I've not mentioned, it isn't because I've ignored it. I haven't. Rather, I've focused on setting out what is key to my decision.

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. And in accordance with the Payment Services Regulations and the terms and conditions of the account, Mrs S is liable for the loss.

However, taking into consideration the relevant regulatory rules and guidance, codes of practice and good industry practice, Revolut should take steps to identify and where possible prevent sufficiently unusual or uncharacteristic payments to help protect its customers from financial harm resulting from fraud.

That said, I think it is important to also highlight that there are many payments made by customers each day, and it is not reasonable to expect Revolut to stop and check every

payment instruction to try to prevent fraud or financial harm. There's a balance to be struck between the extent it intervenes in payments to protect customers, and not unnecessarily disrupting legitimate payment instructions.

I understand that the payments were a significant loss for Mrs S. That said, when considered in the context of the vast number of payment instructions Revolut receives, I don't find they were of remarkable value to raise concern that Mrs S might be at risk of financial harm, and to have triggered Revolut's fraud prevention systems.

Mrs S has shared with us about her vulnerabilities and I thank her for this. As our investigator explained, I can't see that Revolut were informed of this at the time the payments were made. Even if it was aware of Mrs S's condition, a pattern of payments had not formed that might be an indication of a scam. Ultimately, I do not find the payments were sufficiently uncharacteristic or unusual to put Revolut on alert and cause it to intervene.

The payments were made by debit card, as such they are not covered under the Authorised Push Payment scam reimbursement rules. And the only means of recovery here would have been through the chargeback scheme. But as the payments were to a legitimate money transfer firm, and a service provided by the merchant, I'm not persuaded there were any realistic prospects of recovering the money Mrs S lost.

I have carefully considered all that happened here. I appreciate that Mrs S has been the victim of a cruel scam and I sympathise with her, but I cannot fairly or reasonably hold Revolut responsible for her loss.

I understand that Mrs S feels Revolut ought to allow for fraud claims to be reported over the phone. Revolut is an online based bank, and the processes and systems it has in place including its fraud reporting processes are internal matters for it to decide. It is not something I would look to interfere with. Nevertheless, in the circumstances of this complaint, I am satisfied it treated Mrs S fairly and reasonably.

### **My final decision**

For the reasons outlined above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 10 July 2025.

Oluwatobi Balogun  
**Ombudsman**