

The complaint

Mr M complains that Revolut Ltd won't refund money he lost when he was a victim of a scam.

Mr M is represented by a firm I'll refer to as 'C'.

What happened

The background to this complaint is well known to both parties and so I'll only refer to some key events here.

In 2024 Mr M fell victim to a task-based job scam. At a time when Mr M was looking for a job, and having applied to various recruitment sites, he was contacted by a person offering a remote based opportunity - which we now know to be a scam. The scammer explained to Mr M that the job entailed completing sets of tasks which involved providing reviews and ratings for hotels, to boost their visibility.

The job paid a salary along with commission for completing the tasks. There were however commercial reviews, which was a special type of task, that would take Mr M's account into a negative balance. But by restoring the balance, through depositing funds, these special tasks would generate higher commission. Mr M went on to make the following payments to the scam, via a legitimate money remittance provider (which I'll refer to as 'R'), from his Revolut account:

Transaction Date	Amount
27 February 2024	£804.74
27 February 2024	£1,850
27 February 2024	£1,672.99
27 February 2024	£1,952.99
28 February 2024	£1,112.99
28 February 2024	£402.99
28 February 2024	£1,502.99
28 February 2024	£502.99
28 February 2024	£1,952.99
28 February 2024	£1,592.99

28 February 2024	£1,952.99
1 March 2024	£1,952.99
1 March 2024	£1,952.99
1 March 2024	£590.73
Total	£19,798.36

Mr M has explained he realised he'd been scammed when he was told he couldn't withdraw his funds unless a further payment was made.

C complained, on Mr M's behalf, to Revolut on 22 April 2024. They said Revolut didn't do enough to protect Mr M from the scam – as they ought to have identified the payments as unusual, carried out further checks before processing them and provided relevant scam warnings. If this happened, the scam would've been uncovered and Mr M's loss avoided. To settle the complaint, they said Mr M would accept a full reimbursement of his loss, along with 8% interest and £300 compensation.

Revolut didn't uphold the complaint. They said they'd raised chargebacks on the transactions to recover the funds lost. But they explained the chargeback process is framed by a very detailed and consistent set of rules. And, essentially, the process includes two types of claims – fraud or dispute – with fraud claims raised for these transactions. But the outcome was that they had no dispute rights due to them not finding traces of fraudulent activity on Mr M's account.

The complaint was referred to the Financial Ombudsman. Our Investigator considered Mr M's complaint, but she didn't think Revolut had to do anything further. In short, she said:

- Revolut should've carried out additional checks before processing the fourth payment (£1,952.99). But even if they had, she didn't think Revolut would've uncovered the scam and prevented Mr M's loss.
- This is because when Mr M was questioned by his other banking provider (which I'll refer to as 'L') regarding a transaction he was making as part of the scam to R, he gave inaccurate information. L also referred Mr M to branch as part of their security checks whereby they provided further fraud and scam education to Mr M.
- There wasn't any reasonable prospect of recovering the funds.

C disagreed. In short, they said:

- Despite acknowledging Revolut should've done more to prevent the scam, no refund has been offered. And Revolut's duty of care should be evaluated independently of L's actions.
- Mr M's language barrier, the teller's frustration, lack of probing questions and R's association with scams highlights the failure to exercise reasonable skill and care.
- They believe Revolut should be held responsible and provide full reimbursement for Mr M's losses.

The matter 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.

I'm very sorry Mr M has lost a significant amount of money. But I must consider whether Revolut is responsible for the loss he's suffered. Having done so, and while I realise this isn't the outcome Mr M is hoping for, for similar reasons as our Investigator, I don't think they are. Because of this, I don't think Revolut acted unfairly by not refunding the payments. I'll explain why.

Before I do, I want to reassure Mr M that I've considered everything C has submitted on his behalf. And so, while I've summarised this complaint in far less detail than what has been provided, I want to stress that no discourtesy is intended by this. If there is a submission I've not addressed; it isn't because I have ignored the point. It's simply because my findings focus on what I consider to be the central issue in this complaint – that being whether Revolut is responsible for the loss Mr M A has suffered.

In broad terms, the starting position in law is that an Electronic Money Institution (EMI), such as Revolut, is expected to process payments that their customer authorises them to make. Here, it isn't disputed that Mr M knowingly made the payments from his Revolut account and so, I'm satisfied he authorised them. Therefore, under the Payment Services Regulations 2017 and the terms of his account, Revolut are expected to process Mr M's payments, and he is presumed liable for the loss in the first instance.

However, taking into account the regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Revolut to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

So, the starting point here is whether the instructions given by Mr M to Revolut (either individually or collectively) were unusual enough to have expected additional checks being carried out before the payments were processed.

When considering this, I've kept in mind that EMIs process high volumes of transactions each day. And that there is a balance for Revolut to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate – as it wouldn't be practical for EMIs to carry out additional checks before processing every payment.

Here, I think Revolut had enough reason to suspect Mr M might be at risk of financial harm from fraud by the fourth payment (£1,952.99 on 27 February 2024). This is because the payment activity on this day was unusual and out of character for Mr M based on his typical account usage. In the prior six months, Mr M had mostly used his account for relatively low value day-to-day transactions – with the highest value activity on a single day consisting of £3,000. So, more than £6,000 was a significant increase. And four payments to the same merchant, opposed to a single payment, is unusual – and payments made in a short period of time can also be a potential indicator of fraud or a scam. Furthermore, the payments broadly increased in value which is another possible fraud risk.

I therefore think Revolut should've contacted Mr M to establish the surrounding circumstances of the payment before processing it – along with there being further opportunities for Revolut to have intervened in relation to subsequent payments due to an

ongoing suspicious payment pattern. At which point however, I should explain that for me to find it fair and reasonable that Revolut should refund Mr M requires more than a finding that Revolut ought to have intervened before processing the £1,952.99 payment on 27 February 2024. I would need to find not only that Revolut failed to intervene where they ought reasonably to have done so — but crucially I'd need to find that but for this failure the subsequent loss would've been avoided.

That latter element concerns causation. A proportionate intervention will not always result in the prevention of a payment. And if I find it more likely than not that such a proportionate intervention by Revolut wouldn't have revealed the payment was part of a fraud or scam, then I couldn't fairly hold them liable for not having prevented it from being made.

I note C thinks Revolut's duty of care should be evaluated independently of L's actions. While I understand C's views on this, for me to establish whether Revolut caused Mr M's loss, I need to determine what would've most likely happened had Revolut taken the actions I would've reasonably expected. And so, while I'm not considering L's responsibility to Mr M as part of this complaint, I consider his interaction with L during the scam gives me an insight into what an interaction with Revolut would've likely looked like (had Revolut contacted him). Because of this, I think it's fair and reasonable for me to take this into consideration when deciding Mr M's complaint.

I've listened carefully to Mr M's call with L in relation to the payment he was trying to make to R as part of the scam. Having done so, while I acknowledge Mr M's preferred language may not be English, I'm not persuaded there was a communication barrier whereby he was unable to understand what L was asking him. But rather, Mr M was able to answer their questions coherently and gave plausible responses. Furthermore, at no point did Mr M indicate that he didn't understand what he was being asked, nor did he ask for an alternative method of communication.

In this call, L asked Mr M why he was making the payment to R. To which he confirmed that he was sending it to his parents back home, and that he had sent funds to them previously using another money remittance provider. We know this to be untrue, as he was sending the payments to R as part of the scam. Unfortunately, however, by not disclosing the actual purpose of the payment, L was prevented from being able to establish the true fraud risk. Nevertheless, due to further concerns in respect of a subsequent payment, L referred Mr M to one of their branches for further security checks – whereby they also provided fraud and scam education to Mr M. Despite this, Mr M continued to send payments to the scam – including from his Revolut account.

Mr M hasn't provided our service the full chat conversation he had with the scammer. I therefore can't be entirely sure what he was told – and, specifically, whether he was being guided on what to tell his banking provider(s) if questioned about the payments he was making. But I think L's interactions with Mr M demonstrates that he was willing to conceal the true purpose of the payment(s). And that L couldn't uncover the scam despite implementing an in-branch visit as part of their fraud prevention checks – which isn't something Revolut, without branches, could action.

Considering this, I'm not persuaded that Revolut could reasonably have uncovered the scam through a proportionate enquiry. I think it's most likely that had Revolut questioned Mr M, through their in-app chat for example, he would've similarly withheld the true circumstances of the payments. Because of this, I don't think Revolut could reasonably have uncovered that Mr M was falling victim to a scam and prevented her loss.

I've also considered whether, on being alerted to the scam, Revolut could reasonably have done anything to recover Mr M's losses, but I don't think they could. The only possible option

for recovery would've been for Revolut to have attempted a chargeback against the payee – that being R. But this likely wouldn't have had any reasonable prospect of success. This is because R provided the service paid for, that being the transfer of funds.

In conclusion, while I have a great deal of sympathy for Mr M, I cannot reasonably direct Revolut to refund him. For the above reasons, I think Revolut have acted fairly and so I'm not going to tell them to do anything further.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 4 August 2025.

Daniel O'Dell
Ombudsman