

The complaint

Mr R complains Revolut Ltd is holding him liable for payments he was threatened into making.

What happened

Mr R says that, due to being in debt, he contacted someone (who I'll refer to as the fraudster) on a messaging app who was offering an opportunity to make money. But they subsequently threatened him into sharing his card details and making payments from his Revolut account. He reported the following payments to Revolut, asking it to refund him:

- Transfers to “payee one” on 3 September 2024. Mr R's statement shows these payments were all refunded/returned that same day;
- Two cash withdrawals, for £250 each, on 3 and 4 September 2024 respectively;
- Card payments made between 4-6 September 2024; and
- Transfers to “payee two” between 5-7 September 2024

Revolut didn't agree to refund Mr R. He complained about this decision, then referred the matter on to our service. Our investigator didn't uphold his complaint. They thought Mr R's actions meant the payments were authorised. And they weren't persuaded Revolut should reasonably have prevented the payments from being made – nor that it missed an opportunity to recover them.

Mr R has appealed the investigator's outcome. He says he feels he's been held at fault for what happened when under threat, and he's unhappy the second part of his complaint, about Revolut's service, has been declined.

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.

For the following reasons, I'm not persuaded it would be fair to direct Revolut to refund Mr R.

Under the relevant regulations (the Payment Services Regulations 2017, “PSRs”), the starting position is that Mr R is liable for payments he authorises – whereas Revolut would normally be liable for unauthorised payments.

A payment would be deemed authorised under the PSRs if it was correctly authenticated and consented to by the consumer, or someone acting on their behalf. The PSRs say that consent must be given in accordance with the form and procedure agreed by the payee (in this case, Mr R) and the payment service provider (Revolut).

In practical terms, that means Mr R consents to a payment by completing the agreed payment steps. But he would also be treated as having consented to a payment if he agreed to let someone else complete those steps. So, if he allowed someone else to use his card details, the payments they made using those details would be deemed authorised – whether or not he knew about each transaction they made in advance.

While Mr R says he did so due to being threatened, he has acknowledged making the transfers and cash withdrawals he is disputing. Even in circumstances when someone is threatened and/or tricked into making payments, under the PSRs, they are still presumed liable for the payments in the first instance.

I appreciate Mr R doesn't appear to have made the card payments directly. But he's confirmed sharing the card details needed to make these payments with the fraudster. And it appears to me he knew they would be using these details to make card payments. Indeed, the contact records provided between him and the fraudster(s) shows he was aware they were making payments, but didn't take steps (such as cancelling his card) to prevent this.

I'm conscious Mr R says he provided these details under threat. But thinking about the provisions of the PSRs, as it appears he provided these details and was aware they were being used to make payments without taking steps to revoke that access, I still think it's fair for Revolut to treat the card payments as authorised.

However, I do accept these payments were made due to Mr R being tricked and/or threatened. So, I have considered whether there are any other reasons why Revolut should refund Mr R.

Under the PSRs, firms are expected to process authorised payment instructions without undue delay. But taking into account longstanding regulatory expectations and requirements as well as good industry practice, there are some situations where I would reasonably expect a firm to make further enquiries about a payment before deciding whether to process it – such as in circumstances where there are grounds to suspect it presented a fraud risk.

I've considered whether that applied here. Overall, I can see why Revolut didn't have concerns initially. Given how the payments were authenticated, I don't think it had much reason to suspect the payments might be unauthorised. And I don't think the overall amounts looked so suspicious or uncharacteristic that Revolut ought to have realised Mr R might be making the payments due to fraud.

However, I agree with the investigator that the series of declined card payments (due to their being insufficient funds in the account) arguably looked concerning. It may have been proportionate for Revolut to have taken steps to verify if this was Mr R and, if so, find out more about what he was doing. But as he's explained he was being threatened by the fraudsters and was worried about his safety and that of his family, I don't consider it likely he would have responded in a way that would have alerted Revolut to what was really happening.

I therefore don't think Revolut is at fault for not preventing these payments at the time. Nor do I think it could have recovered Mr R's loss. Regarding the transfers, as set out above, all the transfers to payee one were returned. I can also see Revolut promptly initiated an attempt to recall funds from payee two once Mr R provided details of his dispute but unfortunately were notified that no funds remained. It's common for fraudsters to move funds on promptly to avoid them being recalled.

For the card payments, the chargeback scheme can sometimes be used to claim back payments due to a dispute with the merchant paid directly. However, for the cash withdrawals, Mr R isn't disputing that these funds were dispensed; the loss occurred when he passed the cash on to the fraudsters. A successful chargeback couldn't have been raised in this scenario under the scheme rules.

Similarly, for the other card payments, it appears likely the merchant(s) paid provided the expected service in exchange for the payments they received; it's just that Mr R wasn't the beneficiary of that service. But this wouldn't have given rise to successful claims under the chargeback scheme. Mr R's dispute isn't really about the merchants paid, but the fraudsters who he says threatened him into permitting these payments.

As the investigator explained, in looking at Mr R's complaint about the service Revolut provided, most of this appears to relate to a later dispute he went on to raise. And that doesn't fall within the scope of what I can consider within this case. Ultimately, it appears Revolut issued its response to this dispute promptly, including explaining he could refer the matter on to our service if he remained unhappy – which he did.

Overall, my role is to consider whether Revolut, as Mr R's account provider, is liable for his loss. A finding that Revolut isn't liable doesn't equate to a finding that he is at fault for what happened; I appreciate he was tricked and/or threatened by the fraudsters. But having carefully considered all the circumstances, I don't consider it fair to direct Revolut to refund or otherwise compensate him.

My final decision

For the reasons given 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 Mr R to accept or reject my decision before 14 October 2025.

Rachel Loughlin
Ombudsman