

The complaint

Mr A complains that Revolut Ltd won't refund several payments he says he made and lost to a scam.

What happened

The background to this complaint is well known to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

Mr A complains that from August 2022 he made fourteen payments from his Revolut account to what he thought was a legitimate investment.

Mr A says he found an investment company online and after some research decided to invest a small amount of money. After he received some returns, he started to up the amount he invested. Mr A says he realised he'd been scammed when he took out a loan, asked for a withdrawal, and it was refused. So, Mr A logged a complaint with Revolut.

Revolut looked into the complaint but didn't uphold it. So, Mr A brought the complaint to our service.

Our investigator looked into the complaint and thought it should be upheld. Our investigator thought that when Mr A made a £10,000 payment on 07 September 2022, Revolut should've intervened and spoken to Mr A. Our investigator found that had someone from Revolut spoken to Mr A, the scam would've most likely been revealed, as there was no evidence Mr A had been given a cover story or that he had been coached.

Revolut didn't agree with the investigator's view. So, the complaint was passed to me for a final decision.

I issued a provisional decision on 13 March 2025. This is what I said.

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've come to a different outcome as the investigator, and I don't intend to uphold this complaint. I'll explain why.

I'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't

because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Revolut would generally be expected to process payments a customer authorises it to make.

And under The Payment Services Regulations and the terms and conditions of the account, Mr A is presumed liable for the loss in the first instance, in circumstances where he authorised the payment. That said, as a matter of good industry practice Revolut should have taken proactive steps to identify and help prevent transactions – particularly sufficiently unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam.

However, there are many payments made by customers each day and it's not realistic or reasonable to expect a bank to stop and check every payment instruction. There's a balance to be struck between identifying payments that could potentially be fraudulent, and minimising disruption to legitimate payments.

Having considered the payments made by Mr A to the scammer, I agree that the £10,000 payment did look out of character for Mr A's account and someone from Revolut should've intervened. It was even more important that Mr A spoke to an advisor at this point, given he had put the payment purpose as "safe account". If the advisor had spoken to Mr A, I would've expected a proportionate intervention and line of questioning based on the amount of the payment and where it was identifiably being sent to.

So, I've gone on to consider what I think most likely would've happened if Revolut had intervened at this point and spoken to Mr A.

Our service has been given information from the third-party bank from where Mr A sent the funds to his Revolut account. On 22 August 2022, a payment was stopped, Mr A was questioned and gave the following responses:

- He set up the account himself and only he had access.*
- He has invested in cryptocurrency with the company he was sending the payments to before and does so with a group of friends he trusts.*
- He isn't using a broker or investment company.*
- He has done due diligence.*
- He was only planning on investing a small amount of the money he had recently come into the account (the rest was for home improvements).*

Mr A was then referred for a telephone appointment with a banking advisor and on the 26 August 2022, this took place. Within this call Mr A provided the advisor with several reassurances that he was comfortable investing.

So had someone from Revolut spoken to Mr A, I'm satisfied he would've been able to reassure them he wasn't at risk of financial harm. The responses Mr A gave the other bank, are the same response I'd have expected him to have given a Revolut advisor. I also can't see anything had changed with how the scam was set up that meant Mr A would've changed his answers had he spoken to someone a few days later. If anything, Mr A was displaying the characteristics of someone who was more confident in what he was doing as he had started to increase the payment amounts.

So, in these circumstances, I'm satisfied Revolut couldn't have prevented Mr A from losing this money to the scammer.

I'm satisfied that recovering any of these payments wasn't possible in the circumstances, as they all went to accounts in Mr A's name. As such, if any funds remained in these accounts, they would still be under Mr A's control.

Revolut didn't respond.

Mr A via his representative did respond. In summary Mr A said.

- Some of the answers he gave the third-party bank gave cause for concern.
- Revolut's intervention may have differed in approach and been more effective in identifying the scam.
- Two intervention calls would've been more effective than just one.

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 considered Mr A's further comments carefully, I don't intend to change my outcome. I'll explain why.

As I explained in my provisional decision, I've been unable to establish anything had changed in the way Mr A thought he was investing that satisfies me he would've been more accurate with his answers had someone from Revolut questioned him.

We have very little in the way of evidence from the scam, but Mr A has sent some emails that he says are between him and the scammer, and they are dated after the last payment he made from his Revolut account. In these emails Mr A is arranging a transfer back into his account and there's nothing to suggest at this point he had concerns over the legitimacy of the investment he thought he was involved in. In fact, after the last payment from Revolut Mr A attempts to make several large payments from another bank account in his name to different people he says were part of the scam.

Mr A's representative has said there were red flags within the other intervention from the third-party bank. Mr A did make some comments that I think may have raised concerns with the bank, but when questioned, Mr A was able to provide reassurances. For example, the loans Mr A received were mentioned, but Mr A said he was using a small proportion of them to invest and had other (plausible) uses for the rest. Mr A was also able to answer (with what would've seemed to the advisor as a plausible reason) why he had screen sharing software on his device.

Mr A has also said it was at the point he was asked to pay a £7,000 fee that he was aware he'd been scammed. Having seen Mr A's statements from his third-party account, I can see he sent multiple large transactions after this. So, this again tells me that Mr A was still most likely under the spell of the scammer and unlikely to have answered any questions accurately had he spoken to someone from Revolut earlier.

I know Mr A will be disappointed by this outcome. But for the above reasons, I don't think Revolut has acted unfairly by not providing a refund.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 26 April 2025.

Tom Wagstaff
Ombudsman