DRN-5450672

The complaint

Mr P is being represented by a member of his family. He's complaining about Revolut Ltd because it declined to refund money he lost as a result of fraud.

What happened

Sadly, a member of Mr P's family fell victim to an investment scam. Before the scam was uncovered, he agreed to make some payments to the scam on their behalf. On 5 August 2024, he made two transfers for £2,000 and £100 to a cryptocurrency exchange, after which the currency purchased was transferred to the scammers.

Our investigator didn't recommend the complaint be upheld. He didn't think Revolut should have been concerned about the payments or that it was required to intervene before they were processed.

Mr P didn't accept the investigator's assessment and the complaint has now been referred to me for review.

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've reached the same overall conclusions as the investigator, and for broadly the same reasons. I haven't necessarily commented on every single point raised but concentrated instead on the issues I believe are central to the outcome of the complaint. This is consistent with our established role as an informal alternative to the courts. In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

There's no dispute that Mr P authorised these payments. In broad terms, the starting position at law is that an Electronic Money Institution (EMI) such as Revolut is expected to process payments a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of their account. In this context, *'authorised'* essentially means the customer gave the business an instruction to make a payment from their account. In other words, they knew that money was leaving their account, irrespective of where that money actually went.

There are, however, some situations where we believe a business, taking into account relevant rules, codes and best practice standards, shouldn't have taken its customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

Revolut also has a duty to exercise reasonable skill and care, pay due regard to the interests of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Taking these things into account, I need to decide whether Revolut acted fairly and reasonably in its dealings with Mr P.

The payments

One of the key features of a Revolut account is that it facilitates payments that sometimes involve large amounts and/or the purchase of cryptocurrency. I must take into account that many similar payment instructions it receives will be entirely legitimate and also consider its responsibility to make payments promptly.

Having considered what Revolut knew about the payments at the time, including that the amounts involved were relatively low and they weren't part of a pattern of multiple payments consistent with many types of fraud, I'm not persuaded it ought to have been particularly concerned and I can't reasonably say it was at fault for processing them in line with Mr P's instructions.

Revolut has told us that it did ask Mr P to confirm he knew and trusted the payee before the first payment was processed and I don't believe any further intervention was required in this situation.

I've noted the references to Mr P and his family being vulnerable at the time. But I've seen nothing to show Revolut was told about this or should otherwise have been aware such that it could reasonably have been expected to take this into account in deciding whether to process these payments.

I want to be clear that it's not my intention to suggest Mr P or anyone else in his family is to blame for what happened in any way. They fell victim to a sophisticated scam that was carefully designed to deceive and manipulate its victims. I can understand why they acted in the way they did. But my role is to consider the actions of Revolut and, having done so, I'm not persuaded these were the cause of their losses.

Recovery of funds

I've also looked at whether Revolut could or should have done more to try and recover Mr P's losses once it was aware that the payments were the result of fraud.

I understand Mr P first notified Revolut of the fraud in October 2024, more than two months after the last payment. It's a common feature of this type of scam that the fraudster will move money very quickly to other accounts once received to frustrate any attempted recovery and I don't think anything that Revolut could have done differently would likely have led to this money being recovered successfully after this period of time.

In conclusion

I recognise Mr P has been the victim of a cruel scam and I'm sorry he lost this money. I realise the outcome of this complaint will come as a great disappointment but, for the reasons I've explained, I think Revolut acted fairly and reasonably in its dealings with him and I won't be telling it to make any refund.

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 P to accept or reject my decision before 10 September 2025.

James Biles
Ombudsman