

The complaint

Miss Y complains Revolut Ltd won't refund payments which she says were made without her authority by a scammer.

What happened

In October 2023, Miss Y received a call from a scammer posing as her bank. They used a spoofed number, which they directed her to look up, to convince her the call was genuine. They told her fraud was being attempted so it needed to cancel her account. Miss Y mentioned she held an account with Revolut – and was directed to transfer her funds there.

Following this, Miss Y received a further scam call, allegedly from Revolut. The scammer told her to upgrade her account for extra protection. During this call, she confirmed details of her account and card with the scammer (thinking they were from Revolut).

Miss Y says she was told her funds were being transferred to a new “premium” account. But she then saw several payments (£2,040, £1,500 and just under £500 respectively) had been sent to a merchant I'll refer to as “M”, which provides a cryptocurrency platform.

Realising she had been scammed, Miss Y reported this to Revolut – and complained when it didn't agree to refund her. She said it hadn't responded to her fraud report promptly/well enough, preventing the funds being recovered via the chargeback scheme, and it had failed to protect her when the account was changed and the payments were made.

Revolut said it had declined the first attempted scam payment, but the card was unblocked by someone with access to her account. And the payments were authenticated via 3DS authentication (i.e. in-app approval). It maintained Miss Y was liable for the payments.

Miss Y referred the matter to our service. Our investigator ultimately concluded Revolut didn't need to refund Miss Y. They thought it was fair for Revolut to treat the payments as authorised. They didn't think Revolut could have prevented the scam at the time, noting that warnings appear to have been shown by Revolut – nor did they think it could have recovered the funds when the scam was reported.

Miss Y has appealed the investigator's outcome. She says classifying the payments as authorised overlooks that the scammers obtained her details through deception. She also disputes seeing any scam warnings and she says Revolut's delayed response to her scam report hindered the opportunity to recover the funds.

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 decided not to uphold it. I appreciate this will be disappointing for Miss Y, who has clearly lost out at the hands of scammers. But I'm not persuaded Revolut is liable for her loss. I'll explain why.

Is it fair for Revolut to treat the payments as authorised?

The relevant law here is the Payment Services Regulations 2017 (PSRs). Broadly, in line with the PSRs, the starting point is that Miss Y is liable for payments she authorises – and Revolut is liable for unauthorised payments.

Miss Y was tricked into sharing her card information (and other details) with the scammers. I'm satisfied it's plausible and likely they would have been able to use this information to set up an account with M in Miss Y's name, and to then initiate the payments to M.

However, looking at all the audit records I have showing how Miss Y's Revolut account was used during the period of the scam, I can see a card payment to M for £2,000 was declined prior to the successful payments. Following this, Miss Y's card was unblocked from her app.

The process to unblock the card involved the person accessing the app responding to questions including *"Is anyone guiding or prompting you?"* – with the elaboration underneath *"Is someone telling you which buttons to tap, giving you instructions over the phone, or telling you this is urgent, etc"?* The response selected was *"No, I'm not being guided"*.

The person accessing the app also had to view some scam warnings. This included warnings about being wary of unexpected calls, and about being told your account isn't safe.

Once the card was unblocked, Revolut's audit information shows the payments successfully sent to M all involved the final step to be completed in-app (as opposed to the scammers solely entering the payment details it had tricked Miss Y into handing over).

I appreciate Miss Y says she doesn't recall unblocking her card, seeing the scam warnings or completing these steps in-app. However, her genuine device was the only one in use and linked to her Revolut account at the time of these payments. And there is no suggestion the scammers used remote access software to take control of it.

Looking at the timings of the payments I can also see that, in between the payments to M, money was being paid into Miss Y's Revolut account from another account she held. She's told us that, as part of the scam, she was directed to send money to Revolut – supposedly to keep it safe.

Miss Y has also told us she thought her funds were being moved to a new, premium Revolut account. But no new account was set up; rather, her existing account was simply amended/upgraded. Miss Y has explained this was done as part of the scam; she was told to get a premium account for better protection.

In that context, and given how the funds were credited in from Miss Y's other account in between the payments to M, that further suggests to me she was likely tricked into completing these steps – under the guise this was required to protect her funds and/or send them on to her "new" account.

I therefore consider it more likely than not that it was Miss Y who completed these steps in-app. I also think the 3DS screens completed made it very clear that Miss Y was consenting to a payment – detailing the merchant and value. In those circumstances, I consider it fair for Revolut to treat these payments as authorised. As explained above, that means Miss Y is presumed liable in the first instance.

Are there any other reasons why it would be fair and reasonable for Revolut to reimburse Miss Y?

Revolut has a duty to act on authorised payment instructions without undue delay. However, there are circumstances when it might be appropriate for Revolut to take additional steps before processing a payment. Such as when there are grounds to suspect the payment presents a fraud risk. That might occur when a payment is significantly unusual or uncharacteristic compared to the normal use of the account.

Taking into account relevant law, regulators' rules and guidance, relevant codes of practice and what I consider to be good industry practice at the time, I consider it fair and reasonable in October 2023 that Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so; and
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice Revolut sometimes does including in relation to card payments).

I've therefore thought about whether Revolut should have done more to check these payments – and, if so, whether that would have prevented Miss Y's loss to the scammers.

I'm conscious Revolut did have concerns about, and therefore declined, the first attempted payment to M. It required further steps to be completed in-app, including viewing scam warnings, to unblock the card and send further payments to M. While I appreciate Miss Y doesn't recall completing these steps and seeing these warnings, for the reasons given above, I think she more likely did.

In addition to the in-app warnings, Miss Y was also sent an email to her registered email address setting out details of the declined payment.

Given the responses Revolut received and the warnings it displayed, I'm not persuaded that, even if Revolut had intervened further/later on, this would have uncovered the scam. That's because it doesn't appear the steps it took resonated with Miss Y. I appreciate that was likely due to the actions of the scammers – such as placing her under pressure to act quickly, thinking her money was at risk. But in those circumstances, it seems likely to me that Miss Y would have responded similarly to further intervention.

I've also thought about whether Revolut could have recovered these funds – particularly given the concerns Miss Y has raised about the time Revolut took to respond to her initial scam report. However I'm not persuaded the time getting through to Revolut affected its recovery efforts.

For payments sent by card in this way, the available recovery option is the chargeback scheme. This is a voluntary scheme to attempt to resolve card payment disputes between the payee (here, Miss Y) and the merchant paid (M). There are limited circumstances in which claims can be raised successfully – the rules of which are set and overseen by the card scheme provider (in this case Mastercard) rather than Revolut.

Here, I can't see there were grounds for Miss Y to claim successfully under the rules. While I accept the funds were lost to the scammer, M – who received the funds – is a genuine merchant who likely fulfilled the expected service by loading the funds to an account in line with the request it received. So there weren't reasonable prospects to claim on the basis of a failure of service by M – as it's not the scammer. And Revolut wasn't able to support a successful claim on the basis the payments were fraudulent, as this isn't an option for payments authenticated by the 3DS process.

I appreciate this will be disappointing for Miss Y, who has clearly lost out here. But having carefully considered all the circumstances, I'm not persuaded Revolut made failings which caused or contributed to Miss Y's loss. I therefore don't consider it fair to direct Revolut to refund Miss Y.

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 Miss Y to accept or reject my decision before 22 July 2025.

Rachel Loughlin
Ombudsman