

The complaint

Mr A complains that Revolut Ltd ('Revolut') won't reimburse the funds he lost when he fell victim to a scam.

What happened

Mr A says that he wanted to help his brother and a friend to obtain a certificate of sponsorship to work in the UK. He was introduced to an individual I'll call 'J' who said he could help to obtain the certificates. They started to exchange messages and J asked for the kind of information that would be expected. Mr A made the following payments to J.

Date	Amount
03/08/23	£1,200
03/08/23	£1,800
17/08/23	£500
07/09/23	£500
14/09/23	£200
Total	£4,200

No certificates were ever received and J stopped communicating with Mr A.

Mr A contacted Revolut via its chat in November 2023. He initially said he had transferred funds in error to incorrect account details but later said he wanted to report fraud.

Revolut said it couldn't help Mr A as he hadn't complied with its terms and conditions. Through a professional representative, Mr A complained to Revolut in September 2024. Revolut didn't agree to reimburse Mr A.

Mr A was unhappy with Revolut's response and brought a complaint to this service. He said the payments were unusual in value and frequency and that had Revolut asked questions about them, the scam would have been uncovered.

Our investigation so far

The investigator who considered this complaint didn't recommend that it be upheld. She said that the transactions weren't so unusual and out of character that Revolut needed to take additional steps before processing them.

Mr A didn't agree with the investigator's findings, so his complaint has been referred to me to decide. He said that the payments of £1,200 and £1,800 on 3 August 2023 were significantly higher than previous transactions on the account and should have triggered an intervention by Revolut.

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.

In broad terms, the starting position at law is that an Electronic Money Institution (“EMI”) such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer’s account.

But, taking into account relevant law, regulators’ rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable in August/September 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;
- 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;
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving and the different risks these can present to consumers, when deciding whether to intervene.

I’ve considered Mr A’s transaction history from the date he opened the account, 2 May 2023.. Having done so, while I’m sorry to disappoint Mr A, I’ve reached the same outcome as the investigator and will explain why.

Mr A’s account with Revolut was relatively new, so there was little information available to Revolut about what Mr A’s normal account activity looked like. When Mr A set J up as a new payee a confirmation of payee check was completed which showed a match. Revolut then provided Mr A with a new payee warning which asked him whether he knew and trusted the payee.

I appreciate that the first two transactions on 3 August 2023 were higher in value than previous transactions on Mr A’s account, which were generally low in value and didn’t exceed £500. But they weren’t at a level where I think Revolut ought reasonably to have had concerns and taken additional steps before processing them. Their value of each transaction was relatively low and the overall pattern of payments wasn’t concerning. Whilst two payments were made on the same day initially, subsequent payments were spread out and didn’t drain the account.

I appreciate the overall loss is significant to Mr A, but a balance has to be struck between Revolut identifying potentially concerning payments, and responding appropriately to any concerns, and minimising disruption to legitimate payments. If all transactions like those made by Mr A were flagged by a bank for additional checks, many legitimate payments would be affected. So, I don’t think Revolut should have done more before processing the payments.

Revolut didn't attempt to recover Mr A's funds as it said he had acted outside of its terms and conditions because any certificate of sponsorship obtained outside of the official framework would be illegal. I don't agree with Revolut's approach, which fails to take account of the fact Mr A fell victim to a scam. But, as the scam was reported to Revolut over two months after the last payment was made, I think it more likely than not that no funds would have remained if Revolut had taken prompt action to recover them.

Overall, I'm sorry to hear about this cruel scam and the impact it has had on Mr A, but I can't fairly require Revolut to reimburse him.

My final decision

For the reasons stated, I do not 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 13 October 2025.

Jay Hadfield
Ombudsman