

The complaint

Mrs E complains that Revolut Ltd won't refund a payment she's made as part of a scam.

What happened

Mrs E fell victim to a scam.

Mrs E saw an advert on a social media site offering an investment opportunity. After being phoned by the scammers, and speaking to them via a messaging app Mrs E transferred £9,900 to a newly opened account in her name, before moving the funds on to the scammers for 'investment'. To fund her investment Mrs E took out a loan with a different financial provider.

Mrs E was given access to a platform which she believed showed the progress of her trades and 'invested funds'. After a short time Mrs E became concerned about the loan repayments and asked to withdraw her funds. However, the scammers advised Mrs E she needed to keep trading on her account to allow them to be released. At this point Mrs E realised she'd been scammed. So she complained to Revolut.

Revolut explained they'd issued a better automated warning to Mrs E which they believe was a proportionate response to protect Mrs E from financial harm. They also highlighted that Mrs E provided misleading information, and even if further intervention had been carried out she was intent on completing the transfers. Revolut attempted to recover her funds but weren't able to do so. Therefore, they thought they'd acted fairly.

Mrs E brought her complaint to our service. She explained that she's unwell and is on disabled benefits, and took out a loan under duress to fund the investment.

One of our Investigators looked into Mrs E's complaint, but they didn't uphold it. They thought that by providing a new payee and better automated warning Revolut had sufficiently protected Mrs E from financial harm. And they'd made sufficient efforts to recover her funds.

Mrs E didn't accept our Investigator's outcome. She highlighted that at the time of the scam she was unwell and suffering from cognitive difficulties. And as a result this made her vulnerable to falling victim to a scam. Mrs E believes because of this Revolut should have put her through to an agent to discuss the payment and identify the scam.

Our Investigator asked Mrs E if she'd informed Revolut of her vulnerability prior to the scam, but Mrs E explained she couldn't remember. Revolut advised they didn't have anything recorded on their system.

As Mrs E didn't agree, it's been passed to me to decide.

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 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. 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 fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

I’ve thought about whether the steps Revolut did take were proportionate to the risk the payments presented.

Revolut initially provided Mrs E with a ‘new payee’ warning, asking whether she ‘knew or trusted’ the payee. As Revolut’s fraud detection system was triggered, they intervened further, asking Mrs E a series of questions about the reason for the payment. To this Mrs E selected ‘transfer to my other account’. But there was a more appropriate option – ‘as part of an investment’. This would have provided warnings more specific to the scam Mrs E was a victim of. Mrs E also didn’t inform Revolut she was being guided through the questionnaire – but based on the chat she’s shared with our service, it seems likely this was the case.

I realise this will disappoint Mrs E but I’m satisfied that the warnings Revolut provided were a proportionate response to the risk the payment presented. In doing so I also think they met their obligations under the Consumer duty. And I don’t think they needed to do anything else.

Mrs E’s argued that due to her vulnerability at the time a better automated warning wasn’t sufficient, and she needed Revolut to speak with her to intervene and highlight the scam. However, Mrs E isn’t sure she shared her vulnerability with Revolut prior to the scam, and Revolut have no records of this – so I can’t say this is something I’d have expected them to consider. Even if I thought Revolut should have carried out a higher level of intervention in the form of a phone call or conversation via live chat, I’m afraid I can’t conclude that the scam would have been exposed. I say this as in the chat between Mrs E and the scammer, Mrs E is quite adamant about getting the payment processed – and how frustrating Revolut’s actions were. I think it’s likely if Revolut had phoned Mrs E, she wouldn’t have shared further or different information and as a result the scam wouldn’t have come to light.

Mrs E's highlighted other decisions issued by our service to support her argument that Revolut should have done more here to protect her from financial harm. I understand why this is something Mrs E would like me to consider, but each case our service looks at is reviewed on its own merits and I'm afraid I can't comment on conclusions we've reached on previous complaints.

Finally, I've considered Revolut's attempts to recover the money. I'm satisfied Revolut made attempts to recover the funds but as Mrs E explained herself, the funds were moved from her Revolut account to a newly opened account in her name – then on to the scammers. This means that the funds had unfortunately been transferred out prior to Revolut being notified about the scam.

Overall, while I understand this will be very disappointing for Mrs E, I'm afraid I won't be asking Revolut to do anything further here. I acknowledge that Mrs E has been the victim of a cruel scam but being the victim of a scam doesn't automatically mean that Revolut are obligated to refund her. My role is to make an impartial judgement on a fair and reasonable basis about whether Revolut have done what they are expected to do. And if they haven't, would Revolut taking the correct action have prevented the scam or successfully recovered Mrs E's funds. There is a third party involved – the scammers – who tricked Mrs E and caused the loss she suffered. As I've determined in this case Revolut isn't at fault and couldn't reasonably have prevented Mrs E's loss it wouldn't be fair or reasonable for me to ask Revolut to provide a refund for actions carried out by the scammers.

For the reasons I've explained above I won't be asking Revolut to do anything further here.

My final decision

My final decision is I won't be upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs E to accept or reject my decision before 28 October 2025.

Jeff Burch
Ombudsman