

The complaint

Miss F complains that Revolut Ltd won't reimburse funds she lost to fraud.

What happened

As the circumstances of this complaint are well-known to both parties, I have summarised them briefly below.

On 18 February 2025, Miss F received a call on her mobile telephone from a person purporting to be from HMRC. The caller demanded that Miss F pay an outstanding tax bill or face immediate arrest and deportation.

To facilitate the payments, Miss F was instructed to open an account with Revolut. She was then told to make payments via a money remittance service. Miss F proceeded to make seven successful card payments from her Revolut account totalling £2,387 to that money remittance service.

Once the call had ended, Miss F realised she'd been the victim of fraud, so she reported the matter to Revolut and raised a claim. But after considered that claim, Revolut declined to provide a reimbursement due to Miss F authorising the payments in dispute.

Miss F remained unhappy with Revolut's response, so she referred her complaint to our service for an independent review. An Investigator considered the evidence provided by both parties, but concluded Revolut had made an error.

They found that some of the payments were suspicious in nature and that they ought to have prompted an intervention. The Investigator found that an intervention likely would have prevented Miss F from making further payments. They therefore recommended that Revolut reimburse the payments it ought to have prevented.

Revolut disagreed, so the matter had now 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.

Considerations

There is no dispute here that Miss F authorised the transactions in question. And the starting position in law is that Miss F will be held liable for transactions she authorised in the first instance. That is due to Revolut's primary obligation to process payments in line with its customer's instructions, as set out in the Payment Services Regulations 2017.

However, taking into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the time, Revolut ought reasonably to have been on the lookout for transactions that may be indicative of fraud. And where it identifies payments that carry risk,

it should intervene in those transactions proportionately, to eliminate that possibility and provide appropriate warnings.

Did Revolut act appropriately in its interventions?

I have taken due regard to the fact that the account held with Revolut was opened for the purpose of the fraud that was committed against Miss F. So Revolut did not have the advantage of understanding Miss F's typical payment patterns when processing the transactions subject to this dispute. Revolut also has a difficult balance to strike in carrying out its primary responsibility to process a payment its customer instructs, against proportionately intervening in cases where payments appear suspicious.

Taking the above into account, I agree with our Investigator's assessment that the first two payments Miss F made from her account didn't warrant an intervention from Revolut. These were the first card payments made on the account and were not of such substantial values that they carried increased risk.

On the third payment, Miss F had made three successive payments to the same merchant in quick succession; a pattern typically associated with known fraud patterns. However, I have given regard to the account being new and the value of the payments remaining low. Therefore, I find that the intervention Revolut did carry out—asking Miss F a series of automated questions and providing warnings specific to the responses given—was a proportionate response. Miss F was dishonest in the responses she provided to the automated questions, so that intervention was ineffective in stopping her from proceeding to make payments. I therefore do not find it reasonable to hold Revolut liable for the loss that was suffered from that payment.

The fourth payment made represented and even higher risk here. This was the fourth time Miss F had made payment to the merchant within the space of less than half an hour, and these were made in rapid succession following credits into the account. This pattern of credits and repeated payments in a short period is synonymous with fraud, even more so for an account that had newly been opened.

These payment patterns now represented an increased risk on the payment that had been made before. And I find Revolut ought reasonably to have responded to this increase in risk with proportionately increased intervention. I therefore find that Revolut should have contacted Miss F at this stage by way of staff intervention, to challenge some of the behaviours present in the payment patterns and ensure that Miss F was not at risk.

Would that intervention have made a difference?

It is a difficult task to conclude what may or may not have happened had an action been taken that was not. However, I can conclude on the balance of probabilities what likely would have happened based on the available evidence.

Revolut has correctly pointed out in response to our Investigator's view that Miss F had been dishonest with it during automated questioning on an earlier transaction. It therefore concludes that she likely would have done the same had further intervention occurred. While I do understand Revolut's argument here, I don't agree with that assessment when considering the facts of this complaint.

Miss F was making repeated, quick succession payments to an international money transfer service. And in an automated warning on the previous transaction, Miss F told Revolut that she was buying or renting goods or services. Repeated payments of this nature and pattern on a recently opened account would not have tied in with the reason Miss F had given. And I

find it likely she wouldn't have been able to succinctly and convincingly explain such an unusual pattern of expenditure.

At the very least, many of the factors I have pointed to above would have likely caused serious concern and suspicion when reviewing the payments, to the extent that a representative would have tested and challenged any testimony; something Miss F likely would have struggled to avert. The intervention also likely would have broken the ongoing contact Miss F had with the fraudster—or at least interrupted it—, and subsequently the coaching they were providing to her.

I also find that the pattern of the expenditure on the account was specifically synonymous with HMRC-style frauds, and a warning specific to the way in which these frauds play out likely would have resonated with Miss F and given her pause for thought. Such actions are effective in breaking the extreme social engineering that has been carried out by the fraudster in cases such as this.

Overall, I'm persuaded Revolut ought reasonably to have done more to protect Miss F. And had it done so, it likely would have prevented her subsequent loss.

Should Miss F bear any liability for her loss?

Fraud of this nature is designed to instil fear and panic in the victim being preyed upon. It relies on the use of an enforcement authority that threatens immediate action against the victim should they not comply. And perpetrators typically keep their victims on the phone throughout the process, restricting their time to think critically about the situation they are in and what they are being asked to do: such is the case here.

The fraudsters also rang Miss F from a spoofed number she had confirmed online belonged to the authority the caller claimed to be from. They also preyed on Miss F's immigration status to assert authority and threaten deportation should action not be taken. Miss F was also sent official looking documentation whilst on the call, which seemingly, and to the untrained eye, appeared to be from that authority.

These combined factors would, in my view, were reasonably persuasive that Miss F was dealing with a legitimate authority, and instilled sufficient fear to have continued to make payments through fear of reprisals.

Revolut has argued that the use of a well-known messaging platform by the fraudster ought to have caused Miss F concern considering this was not an official channel or method of communication used by legitimate authorities. And it feels this shows clear negligence on Miss F's part. But I respectfully disagree with that assessment.

While the use of messaging platforms by enforcement agencies is known to be suspicious by persons adept in fraud prevention and/or investigation, I do not find it reasonable to expect the same level of understanding from the layman. Legitimate businesses do in fact use certain messaging platforms to contact customers, such as the one Miss F was contacted on. So I don't find this to have been such an alarming factor that Miss F ought to have disregarded all the other considerations she was faced with: such as confirming the telephone number belonged to that authority.

Overall, I'm not persuaded that Miss F ought reasonably to be held partially liable for her loss by way of contributory negligence. I will therefore be making no deduction from the redress to be awarded.

Putting things right

Revolut should now go ahead and reimburse Miss F all payments it ought reasonably to have been prevented. For clarity, I find that Revolut ought to have intervened in, and prevented payments from, the £355 paid on 18 February 2025 at 11:53.

Calculating all payments thereafter that were lost to the fraud, a total reimbursement of £1,593 is owed to Miss F.

Revolut should also pay interest on this amount at 8% simple annual from the date the payments were made to the date of settlement. That's to reflect the deprivation of those funds from the date Revolut ought to have prevented them.

My final decision

For the reasons I have given above, I uphold this complaint and direct Revolut Ltd to settle this complaint as I have laid out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss F to accept or reject my decision before 11 March 2026.

Stephen Westlake
Ombudsman