

The complaint

Mr A complains that Revolut Ltd unreasonably blocked a payment he had instructed. He requested that Revolut authorise his transactions properly and improve its support service.

What happened

Mr A said Revolut refused to make payments from his account, despite being authorised and authenticated. He said the payments are to a business abroad that he has made larger payments to before, but for some reason Revolut now feel they are suspicious. Mr A said Revolut can't tell him why the payment is suspicious or why his previous payments were not.

Revolut responded that its support team informed him it had paused the payment to protect his account from potential fraud and needed more information. Revolut said Mr A explained what the payment was for, but wasn't comfortable answering questions and providing details, and had requested to cancel the payment. Revolut said it is dedicated to the security of its platform and its customers' funds and data. And in order to fulfil regulatory obligations, it might have to refuse or pause transactions if flagged by its automated security system.

Revolut said this is standard practice as set out in the Personal Terms; 'When we will refuse or delay a payment': *"We may refuse to make a payment or delay a payment (including inbound and outbound payments) in the following circumstances: if legal or regulatory requirements prevent us from making the payment or mean that we need to carry out further checks; we reasonably believe that your instruction is connected to, or is at material risk of being connected to, a scam, fraud or any other criminal activity (including where we reasonably believe you might be the victim of a scam or fraud); if you have broken these Terms in a way that we reasonably believe justifies us refusing or delaying your payment; if we believe that processing your instruction would break these Terms or that your instruction doesn't contain all the information we need to make the payment properly; (...) We won't be responsible for any losses you suffer as a result of us refusing or delaying a payment."*

Revolut acknowledged Mr A's experience with its chat support wasn't up to his expectations and he'd been inconvenienced, but said the payment was cancelled at his request. Revolut said its automated security system was working in accordance with the procedures, and the correct procedure was followed with his payment.

Mr A wasn't satisfied with this response and referred his complaint to our service. Our investigator didn't recommend that it be upheld. He said Mr A's payment was flagged by Revolut's fraud prevention system for additional checks and then reviewed. Mr A was then routed to the in-app chat to provide further information, and a copy of the invoice was requested, but he cancelled the payment.

The investigator said we can't tell Revolut how to run its business or to change its processes – such as how or when payments are processed or held for fraud prevention as we have no regulatory role. He said Revolut was trying to protect Mr A from fraud, but sometimes the system picks up a genuine transaction. He said although Mr A said he had made previous payments to the payee he would expect Revolut to have controls in place to check every single payment made, as provided for within its terms and conditions.

Mr A wasn't satisfied with this and requested an ombudsman review his complaint. He said there was no problem with larger payments to the payee before, albeit via a different account as the payee has recently changed. He said Revolut can't explain its inconsistency.

Mr A said if Revolut feels a transaction is potentially fraudulent then they should flag it with him, but having authenticated the payment and confirmed he was happy, what further benefit comes from seeing an invoice. He said he doesn't get invoices for this monthly payment. Mr A said Revolut denied him access to his money and he subsequently made the payment using the old bank details without question. He described this as inconsistent and unfair.

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.

Mr A wants Revolut to allow the payments he has authorised to the business he has ongoing liabilities with. He said Revolut has a responsibility to treat their customers fairly and with the payment in question they have failed miserably.

I was sorry to learn that what should have been a straightforward payment to an overseas business has turned into a frustrating and drawn-out experience for Mr A. I'm pleased that he was able to complete the payment by other means. My role is to determine whether what took place was fair and reasonable and whether Revolut followed the process correctly.

In assessing whether Revolut acted fairly, I've taken into account the relevant rules and guidelines along with good industry practice. There are general principles that say a bank should conduct its business with due skill, care and diligence and pay regard to the interests of its customers. As a matter of good industry practice, I'd expect Revolut to be monitoring accounts and payments to identify and prevent transactions that could involve fraud.

Revolut messaged Mr A to say that its security system had paused his payment *'to protect you from a potential scam'*. It said an additional review was triggered and requested information. Mr A assisted Revolut until it requested a copy of the invoice at which point he said he wanted to *'opt out of this nonsense'* and said, *'I have no desire to start explaining myself to you every time I want to make a payment.'*

I can see that Mr A cancelled the payment when Revolut requested a copy of the invoice. An alternative approach would have been for him to explain that this is a retainer payment and so he doesn't have an invoice, or to provide a previous invoice from the business to show the trading relationship. However, Mr A seems to have lost patience with Revolut.

The financial regulations set out by the Financial Conduct Authority require Revolut and other businesses to have processes in place to identify and act on potential fraud. How Revolut meets this requirement is a matter for the business. In common with all payment processors Revolut has an automated system to identify potential fraud.

I can understand Mr A's frustration at Revolut holding up his payment given that it was less than previous transactions to the business. Revolut's fraud detection system doesn't only pick up transactions that actually turn out to be fraudulent, but also transactions which it suspects may be fraudulent. And since it deemed the transaction to be potentially suspicious Revolut acted in accordance with its terms and conditions in these circumstances.

I don't know how many times this approach by Revolut and the other financial institutions will have prevented fraudsters from benefitting from customer accounts, but I'm sure that millions of pounds have been diverted from the alarming range of fraudulent enterprises by

the type of questions put to Mr A. However, no system is perfect, and Revolut has said it wants to improve its approach so that genuine payments, such as Mr A's, are not held up. This is an acknowledgement that the system needs to be refined in order to work more accurately to identify scams and I have seen similar acknowledgements from all the banks.

Revolut's terms and conditions set out in detail the circumstances in which it may hold up a payment pending further information and this goes beyond confirmation of authorisation by the customer. It is also clear from the terms and conditions of the account that Revolut had the authority to suspend the payment where it deemed this to be a risk and make further checks. Were it not to do so it is likely that Revolut would be liable for losses sustained by a fraudulent transaction. Although Mr A would disagree, I don't think Revolut was asking too much in requesting a copy of his invoice as a precautionary measure and I don't think it has treated him unfairly or unreasonably.

I agree with the investigator that Revolut acted reasonably to hold up the payment and it was Mr A who cancelled it. Based on the evidence provided I am unable to uphold this complaint.

My final decision

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 1 September 2025.

Andrew Fraser
Ombudsman