

The complaint

Mr E complains that Revolut Ltd won't refund the money he lost after falling victim to a scam.

What happened

Mr E fell victim to a safe account scam. After his details were compromised via a phishing text, Mr E was contacted by an individual claiming to be from one of his bank account providers.

Mr E says he was told that his accounts with various banks were at risk and that he needed to take steps to protect them. Unfortunately, and unknown to him at the time, Mr E was actually speaking with fraudsters.

Believing that he was genuinely dealing with legitimate representatives from two well established banks that he held accounts with, Mr E was convinced to move funds from his main bank accounts to an account he held at Revolut. From there Mr E made a card payment of £2,250 to a money remittance service, from where the funds were then lost to the scammer.

Mr E quickly realised he had been the victim of a scam and contacted Revolut (and his other banks) to raise his concerns. Ultimately, Revolut said it was unable to recover Mr E's funds and would not be refunding his loss. Mr E was unhappy with Revolut's response, and with the way it had handled his concerns overall, so he referred his complaint to our service.

One of our Investigators looked into the complaint, they did not think it would be fair to hold Revolut liable for Mr E's loss, but they did consider the service Revolut had provided had been below the standards we would expect, so they recommended that Revolut pay Mr E £250 compensation.

Mr E disagreed with the investigator's opinion, he maintains that the account activity was unusual enough to have flagged to Revolut that he was at risk of a scam, and so feels that Revolut should have intervened in the payment he made. He also does not consider that £250 is adequate compensation for the significant distress caused to him. So, as no agreement could be reached this case has now been passed to me for a decision.

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.

I understand Mr E has strong views about what has happened. And I want to assure him that I've considered everything he's said and provided very carefully, including his comments on the various rules and regulations that he feels Revolut have breached. However, my findings focus on what I consider to be the central issues, and so I won't be addressing every point raised in detail. I mean no disrespect by this, but the purpose of my decision isn't to address every single point the parties have raised. My role is to consider the evidence presented by

all parties and reach what I think is a fair and reasonable decision overall based on the facts of the case.

Having done so, I've reached the same overall outcome as the investigator, I'll explain why.

I'm satisfied that Mr E authorised the payment that is the subject of this complaint. So as per the Payment Service Regulations 2017 (which are the relevant regulations in place here) that means Mr E is responsible for that payment. That remains the case even though he was the unfortunate victim of a scam.

Because of this, Mr E is not automatically entitled to a refund. But the regulatory landscape, along with good industry practice, also sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victims to scams.

Taking the above into consideration, I need to decide whether Revolut acted fairly and reasonably in its dealings with Mr E, or whether it should have done more than it did.

I do appreciate that when the scam took place it followed a period of dormancy for Mr E's Revolut account – it hadn't been used for around four years prior to the scam activity. The scam payment also was funded by three payments into the account which were made in a short period of time, and was going to a merchant Mr E hadn't paid before. On the other hand, the payment was also being sent to a legitimate merchant, and one that is not obviously associated with scams. And the approval process required for card payments would have given some reassurance to Revolut that Mr E was likely making the payment himself.

Revolut's primary duty under the PSRs is to process authorised payment instructions without undue delay. Thinking about the value and volume of payments an Electronic Money Institution like Revolut processes, and the way these kinds of account are often used (ie. they are more likely to be used periodically rather than as a day-to-day current account) there is a balance to be struck between reacting to indicators of fraud, and ensuring minimal disruption to legitimate payments.

Overall, while I appreciate the scam payment was relatively large given Mr E's previous account activity, I'm not persuaded that it was so significantly risky, thinking about the overall amount sent and the apparent destination of the funds, that it was reasonable to expect Revolut to intervene in this payment. I therefore don't think it's fair to hold Revolut at fault for not preventing the payment.

I agree with the investigator that Revolut likely couldn't have recovered the funds either. As the payment was made by card, it falls under the scope of the voluntary chargeback scheme. But there are limited grounds to raise a successful claim, and I don't think they apply here. The payment was authenticated. And the dispute ultimately wasn't against the merchant paid directly – which is what a chargeback would consider – but the scammer.

I appreciate this will be disappointing for Mr E, who has clearly lost out to a cruel and sophisticated scam. But my role is to look at Revolut's liability for what happened, bearing in mind it wasn't Revolut who perpetrated the scam. Having carefully considered what's happened here, I'm not persuaded it would be fair to direct Revolut to reimburse Mr E for his loss.

Turning to the level of service that Revolut provided when handling Mr E's claim and complaint, I acknowledge that the level of service provided was not up to the standards we would expect. It was clear from what Mr E was saying to Revolut that he was experiencing significant distress, and Revolut's responses were not helpful in easing that distress. Given Mr E's circumstances I do think Revolut could have done more to engage with him directly, by calling him when he asked, and I think this would have gone some way to reassuring Mr E that his concerns were being properly considered. However, I must also bear in mind that, regardless of how it was communicated to Mr E, the outcome here would have been the same – that his money could not be recovered and that Revolut did not consider it should be held liable for his loss. I also think it is worth noting that Revolut provided Mr E with its full response to his concerns within a few days of the claim first being raised, at which time Mr E would have known where he stood and that he could refer his complaint to our service.

I appreciate that Mr E will not agree, but bearing in mind all that I have seen I am satisfied that the £250 compensation for poor service that our investigator recommended is reasonable in all the circumstances of this complaint.

Putting things right

To resolve this complaint Revolut should pay Mr E £250.

My final decision

I uphold this complaint in part. Revolut Ltd should now put things right in the way I've set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr E to accept or reject my decision before 31 July 2025.

Sophie Mitchell
Ombudsman