

The complaint and background

Mr W complains Revolut Ltd won't reimburse money he lost when he fell victim to a rogue trader scam.

Mr W paid over £90,000 from this account between May and August 2024, to what he was led to believe was for the purpose of a house renovation.

Mr W said he realised he'd been scammed after identifying some documents presented by the builder had been faked and that he'd been overcharged for labour. He reported the matter to Trading Standards. And after reporting it to Revolut, they were able to recover £156.

Mr W brought his complaint to this service. Our investigator wasn't persuaded Revolut could have prevented Mr W from making the payments. But she did uphold his complaint in part – which related to the service he'd received in the handling of his claim after it was reported. For the distress and inconvenience caused as a result of the poor service Revolut provided to Mr W, she made an award of £200 compensation.

Revolut agreed to our investigator's outcome. But as agreement couldn't be reached with Mr W, the case has since 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.

Having done so, I agree with the investigator's conclusions for the following reasons:

- As our investigator has explained to Mr W, Revolut was not a signatory to the Contingent Reimbursement Model (CRM) Code, as such it isn't applicable in this case.
- It isn't in dispute that Mr W authorised the transactions in question. He is therefore presumed liable for the loss in the first instance. However, Revolut is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.
- Revolut did find a number of Mr W's payments suspicious as it paused them to make some further enquiries. This included Mr W's first attempted payment of £10,000 being flagged and a telephone call taking place as well as interactions during two further payments of £10,000 and £12,500.
- During these interactions, Revolut did ask Mr W to present evidence and he subsequently provided them with a copy of the work contract he had with the builder. Arguably, Revolut could have questioned Mr W further about what he was doing but I'm not persuaded this would have prevented Mr W from making the payments.
- I'm mindful that ahead of Mr W appointing this builder, he was satisfied he'd carried out sufficient due diligence. He'd sourced the builder through a legitimate

tradesperson platform and had vetted a number of other contractors before making a decision to proceed with this particular builder.

- Ahead of making payments through his account with Revolut, Mr W had already made a number of payments from an account he held with another financial business. Mr W also informed our investigator the reason he moved to Revolut to make the payments was because of the delays caused by the other financial business in blocks they'd placed when making payments and this made it difficult for him to pay the builder on time.
- I can only uphold Mr W's complaint if I'm satisfied any failings by Revolut made a material difference to what happened. In light of the above, I'm not persuaded Revolut could have prevented Mr W from making the payments.
- Revolut were able to recover £156 from the account Mr W made the payments to. I'm not satisfied there were any prospects of Revolut successfully recovering any further funds considering when the claim was first brought to its attention.
- Turning to the service Mr W received, I'm in agreeance with our investigator that Revolut's interactions with him fell short and that it could have been clearer with him in its interactions and communications after he reported matters to them. That said, I do consider much of the distress and inconvenience Mr W encountered would have been as a direct result of the builder's actions. But in light of the service Mr W received from Revolut, I'm satisfied an award of £200 is reflective of the distress and inconvenience this caused.

Putting things right

Revolut should put things right for Mr W as follows:

- Pay £200 for the distress and inconvenience caused

My final decision

My final decision is I uphold this complaint in part. If Mr W accepts my decision, Revolut Ltd should put things right for Mr W as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 23 December 2025.

Mark O'Connor
Ombudsman