

The complaint

Mr M complains that Revolut Ltd won't refund the full amount of money he says he lost to a scam.

What happened

Mr M sent several payments to what he thought was an investment recovery scheme.

When Mr M didn't receive his money back, he realised he had been scammed. So, he logged a complaint with Revolut.

Revolut looked into the complaint but didn't uphold it. So, Mr M brought his complaint to our service.

Our investigator looked into the complaint but didn't think it should be upheld. She said Revolut intervened and spoke to Mr M on its online chat facility but Mr M wasn't accurate with his responses. On this basis our investigator didn't think the payments could have been prevented.

Mr M didn't agree with the investigator's view. So, the complaint has 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.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focused on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Just because a scam has occurred, it does not mean Mr M is automatically entitled to recompense by Revolut. It would only be fair for me to tell Revolut to reimburse Mr M for his loss (or a proportion of it) if: I thought Revolut reasonably ought to have prevented all (or some of) the payments Mr M made, or Revolut hindered the recovery of the payments Mr M made – whilst ultimately being satisfied that such an outcome was fair and reasonable for me to reach.

I've thought carefully about whether Revolut treated Mr M fairly and reasonably in its dealings with him, when he made the payments and when he reported the scam, or whether it should have done more than it did. Having done so, I've decided to not uphold Mr M's complaint. I know this will come as a disappointment to Mr M and so I will explain below why I've reached the decision I have.

I have kept in mind that Mr M made the payments himself and the starting position is that Revolut should follow its customer's instructions. So, under the Payment Services Regulations 2017 (PSR 2017) he is presumed liable for the loss in the first instance. I appreciate that Mr M did not intend for his money to ultimately go to fraudsters – but he did authorise these payments to take place. However, there are some situations when a bank or EMI should have had a closer look at the wider circumstances surrounding a transaction before allowing it to be made.

Considering the relevant: law and regulations; regulators' rules, guidance, and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time - Revolut should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and 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 (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which payment service providers are generally more familiar with than the average customer.
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or make additional checks, before processing a payment, or in some cases decline to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.

So, I've thought about whether the transactions should have highlighted to Revolut that Mr M might be at a heightened risk of financial harm due to fraud or a scam.

I do not think the value of payment one was remarkable enough to have caused Revolut any concern. Nor do I consider enough of a pattern formed here to suggest Mr M might be at a heightened risk of financial harm due to fraud or a scam. So, I'm not persuaded Revolut reasonably ought to have been concerned about this payment.

Payment two was of a value that I think ought to have concerned Revolut. Therefore, I'm satisfied that Revolut ought to have been concerned Mr M could be at risk of financial harm and intervened.

Thinking about what a proportionate intervention would have looked like, based on the value of the payment and the identifiable risk at the time, I'm satisfied Revolut ought to have given Mr M an automated series of questions to get a better understanding of the payment purpose. Based on the answers Mr M gave; Revolut should have then followed up with a relevant warning. Here though I don't find it would have stopped Mr M making the payment, I'll explain why.

Revolut did intervene in line with what I've described above. When questioned by its automated system, Mr M wasn't accurate with the responses he gave. Mr M said he wasn't being guided and hadn't installed any screen sharing software, which we know wasn't correct. He then went on to say that he had been recommended the opportunity through a friend or family member and had researched the company.

Although Mr M wasn't accurate with his responses, he still got several cryptocurrency warnings relevant to the scam he was falling victim to, but this didn't prevent Mr M making payments. I've also not seen anything to convince me that had Mr M been asked later in the day about the payments, that he would have been more accurate with his responses.

Therefore, due to the reasons I have outlined above, I am not persuaded Revolut ought to have done more and due to this it couldn't have prevented Mr M's losses.

Recovery

As the money went to other accounts in Mr M's name, no recovery would be possible by Revolut. If any money remained in those accounts, Mr M would be able to recover it himself.

So, in light of all of the above findings, there's no fair and reasonable basis under which I can ask Revolut to reimburse Mr M's loss.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 13 February 2026.

Tom Wagstaff
Ombudsman