DRN-5747358

The complaint

M complains that Revolut Ltd hasn't refunded unauthorised payments that were made from its account.

What happened

On 19 January 2024, M's director received a call from someone purporting to be from Revolut's fraud department. They said someone had accessed M's account and instructed the director to access M's Revolut account on a web browser, and to download a remote-access software program. Three payments were then successfully made from M's account to a new payee. M says this was all done by the scammer using the remote access. M contacted Revolut to report the scam very shortly after the last disputed payment debited the account.

Revolut didn't agree to refund M, so it raised a complaint about the outcome along with Revolut's handling of the fraud claim. Revolut didn't uphold M's complaint and said the payments were authorised. It said M acknowledged a warning when a new payee was created and was asked about the purpose of one of the payments that was made in app.

M didn't agree and referred the complaint to our Service. One of our investigators looked into the complaint but didn't uphold it. M asked for an Ombudsman to reconsider the case.

I issued my provisional decision on the case in July 2025. My findings were as follows:

> *In line with the Payment Services Regulations 2017 ("PSRs"), the relevant legislation here, the starting position is that Revolut is liable for unauthorised payments, and M is liable for authorised payments. M has told us it didn't make any of the payments now in dispute.*
>
> *Revolut has shown us that the payments were correctly authenticated. So what would be left to decide here is whether M consented to the payments. Based on the information we hold I don't think we can fairly say it didn't and so these payments should be treated as unauthorised. And I'm also not persuaded Revolut ought to have prevented the payments being sent – both for the reasons our Investigator set out. However, I don't consider I need to set out my findings in detail on these points, as the information we hold indicates that Revolut could've recovered all the funds lost to this scam, so I am upholding this complaint for other reasons.*
>
> *Our Service contacted the receiving bank to understand when the funds that were sent as part of this scam were spent. The first transaction was made just after 11am on 20 January 2024, so the day after the payments were sent. And the funds continue to then be spent over a few days. M reported the scam to Revolut on 19 January 2024 just before 8:04pm, with an indication of the amount lost. And by 9:25pm it had provided full information on the scam and sent a screenshot of the exact payments that were in dispute.*
>
> *Revolut reported the scam to the receiving bank on 28 January 2024. By this time,*

the funds had been spent and so couldn't be recovered. Revolut had the ability to report this scam to the receiving bank promptly and at the time it was reported – and as a micro-enterprise M is in scope for UK finance best practice standards. We know the receiving bank was signed up to best practice standards, which means it should have had 24/7 facilities and responded promptly to such a report. I can also see that when it did receive the fraud report over a week later, it quickly took action. Revolut's systems indicate the report was sent at 3:04pm. The receiving bank's systems show a suspension being placed on the receiving account at 3:22pm, so within 20 minutes.

As funds didn't start being spent by the scammer for over 12 hours, I'm satisfied that if Revolut had acted promptly and sent the recovery claim on 19 January 2024, the full amount would've been recoverable. Based on what did later happen, the receiving bank would've suspended the account, protecting the funds and enabling them to be returned to M. I accept however the return process isn't instant, so I would've expected Revolut to have the funds back and refunded to M within 15 days of the scam.

I've then considered whether M is due any additional compensation for the way Revolut dealt with the scam claim. We asked M about the inconvenience caused and it explained the impact this scam has had.

I've carefully reviewed what M has set out to us, but I don't consider that an additional award for compensation is due in this case. Our Service can't hold Revolut responsible for M being scammed. As set out above, while I think it could've recovered the funds for M, this isn't the same as stopping or preventing the scam taking place at all.

M has chosen to be a Revolut customer and that involves communicating with Revolut in the way it operates. So I don't agree compensation is due for the fact Revolut conducts the majority of correspondence through the app and chat functions. This is a business decision by Revolut, not a failing or mistake it's made. In the same respect I don't agree with the merits arguments M has raised – and these would not be grounds for compensation.

Increased costs from, and the impact of being the victim of fraud also aren't something we can hold Revolut responsible for. And M has listed a number of other things that the fraud "may lead" to, but these aren't then things that have happened. And in any event, again they seem to be possible consequences of M being the victim of fraud, not a direct result of specifically Revolut's actions after the event.

I do however recognise that there was an impact on the running of the business by the ongoing loss of such a great sum and that this would disrupt operations. But from the testimony provided, it does seem that the majority of the impact was caused by the director being targeted and the impact this had on their health. I haven't seen persuasive evidence that, if Revolut had refunded M within 15 days, this would mean the director would have then been able to resume operations as if the scam never took place. From what has been shared, unfortunately it seems likely that operations would still have needed to cease for a period, while the director recovered from what I accept was a very difficult ordeal. So I don't consider there are grounds to award additional compensation for inconvenience to M in this case.

Revolut accepted the provisional decision and agreed to refund M in line with what I had set out. M disagreed that it wasn't due additional compensation.

M explained that its access to the Revolut app was blocked entirely from January 2024 until

October 2024, including the Chat feature. M couldn't therefore perform any transactions or view or retrieve documentation during this time. M has explained it had to open a new bank account elsewhere for January and February 2024, after this time it ceased banking activity due to the previously described impact of the scam. It explained Revolut didn't uphold the complaint on 8 February 2024, but didn't remove the account blocks. So it felt compensation was warranted for this inconvenience.

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.

As both parties accepted my findings in relation to the disputed funds and these are now being returned in full, I see no reason to comment further on this. So my findings remain the same as in my provisional decision copied above – Revolut could've recovered the sum lost had it started the recovery process within best practice standards, so this should now be refunded to M plus compensatory interest.

However, I have reconsidered whether additional compensation is due following M's further comments.

I can't say it's unreasonable for Revolut to have kept a block on M's account while it investigated the reported transactions and the complaint made alongside these. It's important it identified if the account had been/was still at risk of fraud and that it had protective measures in place whilst this was established. So I can't say Revolut made an error between the transactions on 19 January 2024 and 8 February 2024, when it responded to the complaint. However, I appreciate M's point that once Revolut had determined M was responsible for the payments and there wasn't a point of compromise, it then ought to have looked to restore account access as soon as possible.

The Final Response issued by Revolut in February 2024 directs M to contact it in app to start this process. And I can see on 10 February 2024, M did this and was able to chat to an agent. The agent asked M to change its security information and asked a series of questions. While I appreciate the frustration these caused, as this was information M had previously disclosed when making the complaint, M did then opt not to respond to the agent. The next contact from M was in March 2024, when it again attempted to unblock the account. But from the chat I hold, it also stops responding to the agent on this occasion, before the process is complete.

I do recognise Revolut caused M frustration by asking it to repeat information. But M also opted not to engage in this process and did so knowing the account would remain blocked. And from March 2024, I can't say there was an impact on M in any event, as by this time operations had ceased. So while I accept Revolut could've been more proactive, I'm not persuaded this failing warrants an award of compensation in this case.

Putting things right

I direct Revolut Ltd to:

- Refund M £41,390
- Pay M 8% simple interest per annum from 15 days after the scam was reported until the date of payment

My final decision

For the reasons set out above, I uphold M’s complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I’m required to ask M to accept or reject my decision before 8 September 2025.

Amy Osborne
Ombudsman