

The complaint

Mr R is complaining about Revolut Ltd because it declined to refund money he lost as a result of fraud.

What happened

Sadly, Mr R fell victim to a cruel investment scam after responding to an advert he'd seen online. He made the following transfers from his Revolut account in November and December 2023 that were lost to the scam:

No.	Date	Amount
1	6 Nov	£100
2	24 Nov	£5,000
3	16 Dec	£7,000
4	17 Dec	2,500 Euros
5	19 Dec	£6,456
6	19 Dec	£3,544
7	21 Dec	£2,000

The payments were all made to a selection of different individuals and companies.

Our investigator didn't recommend the complaint be upheld. He felt Revolut carried out proportionate interventions and showed appropriate scam warnings that were tailored to the information it was given by Mr R.

Mr R didn't accept the investigator's assessment. His representative has said the fact he wasn't forthcoming about the reasons for the payments didn't stop Revolut from protecting him. It says the fact he gave different reasons for each payment should have been a cause for concern and that it shouldn't have taken his answers at face value as it would have been aware he could be being coached by scammers.

The complaint has now been referred to me for review.

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've reached the same overall conclusions as the investigator, and for broadly the same reasons. I haven't necessarily commented on every single point raised but concentrated instead on the issues I believe are central to the outcome of the complaint. This is consistent with our established role as an informal alternative to the courts. In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

There's no dispute that Mr R authorised these payments. In broad terms, the starting position at law is that an Electronic Money Institution (EMI) such as Revolut is expected to process payments a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of their account. In this context, 'authorised' essentially means the customer gave the business an instruction to make a payment from their account. In other words, they knew that money was leaving their account, irrespective of where that money actually went.

There are, however, some situations where we believe a business, taking into account relevant rules, codes and best practice standards, shouldn't have taken its customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

Revolut also has a duty to exercise reasonable skill and care, pay due regard to the interests of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Taking these things into account, I need to decide whether Revolut acted fairly and reasonably in its dealings with Mr R.

The payments

One of the key features of a Revolut account is that it facilitates payments that sometimes involve larger amounts and I must take into account that many similar payment instructions it receives will be entirely legitimate. I'm also conscious this was a new account and there was no history of past activity against which these payments might have looked suspicious. Finally, I need to consider Revolut's responsibility to make payments promptly.

Having considered what Revolut knew about payments 1 and 2 at the time, including the amounts involved, I'm not persuaded it ought to have been particularly concerned and I can't say it was at fault for processing them with Mr R's instructions.

Payment 3, however, was for a larger amount and it appears Revolut identified Mr R may be at risk of harm from fraud as it intervened before the payment was completed. It also intervened before payments 4 and 5 were processed. On each occasion, Mr R was asked what the payment was for, to which he responded either that he was paying friends and family or something else, from a list of options that included making an investment. And in response to the follow-up questions, Mr R said no one was telling him how to answer the questions, that he hadn't been asked to install any software and that he'd met the recipient and obtained their bank details face to face – none of which was correct. Based on the information provided, Revolut showed Mr R a series of warning screens relating to impersonation scams before he confirmed the payment.

Mr R was taken through a similar intervention process for each of payments 6 to 7 before he was then required to speak to a Revolut agent using the in-app chat. When asked for more information about the payments, he said he was buying gifts for his family and that he'd used the seller before. Based on these explanations, Revolut allowed the payments to go through.

On balance, I'm satisfied Revolut's responses were broadly proportionate to the risks each payment presented. In the circumstances, I would have expected it to ask about the purpose of the payments and provide relevant tailored warnings and that's what happened. It wasn't clear from the recipient details that the payments were going to cryptocurrency or any other form of investment so there was no reason for it to doubt Mr R's answers. And given that

each payment went to a different recipient, I don't agree the fact he gave different answers about the reason for some of the payments should have appeared suspicious.

The success of any fraud intervention is dependent to some extent on the customer providing accurate information about the payments being made. If Mr R had explained that he was making investments, I would have expected Revolut to have provided warnings about the common features of investment scams that might have opened his eyes to what was really going on. But in the circumstances of this case, I don't think it can reasonably be held responsible for the fact that didn't happen.

I want to be clear that it's not my intention to suggest Mr R is to blame for what happened in any way. He fell victim to a sophisticated scam that was carefully designed to deceive and manipulate its victims. I can understand why he acted in the way he did. But my role is to consider the actions of Revolut and, having done so, I'm not persuaded these were the cause of his losses.

Recovery of funds

I've also looked at whether Revolut could or should have done more to try and recover Mr R's losses once it was aware that the payments were the result of fraud.

I understand Mr R first notified Revolut of the fraud several weeks after the last payment. It's a common feature of this type of scam that the fraudster will move money very quickly to other accounts once received to frustrate any attempted recovery. So it's not a surprise that attempts to get his money back weren't successful and I don't think anything that Revolut could have done differently would likely have led to these payments being recovered after this period of time.

In conclusion

I recognise Mr R has been the victim of a cruel scam and I'm sorry he lost this money. I realise the outcome of this complaint will come as a great disappointment but, for the reasons I've explained, I think Revolut acted fairly and reasonably in its dealings with him and I won't be telling it to make any refund.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 15 September 2025.

James Biles
Ombudsman