

The complaint

Mrs Y complains that Revolut Ltd ('Revolut') won't refund the money she lost as a result of a scam.

What happened

The background is known to both parties, so I won't repeat all the details.

In summary, Mrs Y says that, on 7 August 2024, she was called by someone (a scammer) claiming to be from Revolut's fraud department. She was led to believe they were working with staff at her personal bank ('B') to prevent fraudulent payments from her account.

Mrs Y says that the scammer had information about her Revolut card and her debit card with B which was set up to top-up her Revolut account if the balance fell below a certain amount. She says she was asked for her Revolut card's security code and that she shared that with the scammer as she didn't think it was unusual. She also shared an OTP Revolut had sent her on the understanding that this was *"for security"* for its fraud department.

In practice, the OTP was used to add Miss P's Revolut card to a new device. A number of payments were then made via Google Pay which Miss P says she didn't authorise. She says that when she asked the scammer why money was being taken from her account, they told her it was being masked for security reasons, so that the fraudsters couldn't get hold of it.

Miss Y says she became suspicious when Revolut sent her some 'red flag' notifications. She contacted B on her landline so that they could listen in to her call with the scammer and that it was at that point that the scam was uncovered. Below are the payments in dispute.

	Date	Time	Method	Payee	Amount
	07-Aug-24	15:09	Card payment - declined	Argos	£699
1	07-Aug-24	15:35	Card payment	Argos	£699
	07-Aug-24	16:10	Card payment - declined	Argos	£1,398
2	07-Aug-24	16:19	Card payment	Argos	£699
3	07-Aug-24	16:42	Card payment	Apple Store	£1,399
4	07-Aug-24	16:53	Card payment	Selfridges	£2,000
5	07-Aug-24	17:48	Card payment	Argos	£1,099
	07-Aug-24	18:22	Card payment - declined	Argos	£699
	07-Aug-24	18:35	Card payment - declined	Quantas	£771.77
	07-Aug-24	18:41	Card payment - declined	Quantas	£1,050.01

A complaint was made to Revolut and then referred to our Service. Our Investigator didn't uphold it. In short, she found that the technical evidence Revolut had provided suggested the payments couldn't have been carried out without Mrs Y's involvement. And that without an explanation for the steps, which the evidence shows Mrs Y took, she wasn't satisfied the payments should be treated as unauthorised. She also considered Revolut's interventions to have been proportionate to the risks it identified.

As the matter couldn't be resolved informally, it has now been passed to me to decide. Although Ms Y was asked to provide details of her account with B (that funded payments into her Revolut account), I'm satisfied I have enough information to issue this 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.

Having done so, I've reached the same conclusions as the Investigator.

Is it fair for Revolut to treat the payments as authorised?

Under the relevant law, the Payment Services Regulations 2017 (PSRs), the starting point is Mrs Y is responsible for authorised payments from her account and, with some exceptions, Revolut is liable for unauthorised ones.

Where a payment is 'authorised', that will often be because the customer has made the payment themselves. However, there are other circumstances where a payment can be considered authorised, such as where the customer has given permission for someone else to make a payment on their behalf or they've told their payment service provider they want a payment to go ahead. Here it's not in dispute Mrs Y was the victim of a scam, and it doesn't seem to be in dispute she took certain steps which then led to payments from her account.

The technical evidence from Revolut shows that the card payments to various merchants were made through Google Pay. To set up Google Pay on a new device, the scammer would have needed Mrs Y's card details and an OTP that Revolut says was sent *in-app*. Mrs Y doesn't dispute sharing her card's security code and an OTP. And I accept the scammer may have been able to obtain Mrs Y's card number without her necessarily having shared it. I also note Mrs Y's comments that she shared her OTP believing she was speaking to Revolut and that she was told this was "*for security for the fraud dept at Revolut*".

However, to decide whether it's fair and reasonable for Revolut to treat the payments as authorised, I've taken into account that Revolut blocked Mrs Y's card before Payment 1 was processed. It asked her to review the earlier payment attempt and I've seen examples of the screens Mrs Y would have been presented with *in-app*. These warned "*Your card has been frozen because we detected a suspicious transaction. Please review it and let us know if you did in fact make this transaction*". Payment details – including amount and merchant – were then shown and Mrs Y was required to select 'Confirm' before the card was unfrozen and was ready to be used again.

I've also taken into account that Revolut's evidence shows it restricted Mrs Y's spending on the account for suspicious activity shortly before Payment 2 was processed. At that point, Mrs Y's would have been sent a push notification on her device that an "*identity check*" was needed as suspicious activity had been detected. She would have been taken through *in-app* screens asking her to verify her identity (through a selfie). She was again asked to confirm if she recognised the recently declined transaction and to check for any transactions she didn't recognise. It was only after Mrs Y clicked through these screens and confirmed

she recognised the recently declined payment that her account was derestricted and the later payments (Payments 2, 3, 4, 5) were processed without additional checks.

I note that, in response to the Investigator's outcome, Mrs Y said that her account was compromised by fraudsters and I don't doubt that her physical Revolut card was in her possession. But Mrs Y has also maintained that she didn't unfreeze her card or her Revolut account. There's no evidence that anyone else but Mrs Y had access to her device at the time. And without knowing why she took the steps that the technical evidence shows she did – unblocking her card before Payment 1 and later also confirming she recognised another declined payment – I can't fairly conclude that the payments in question were unauthorised.

I can also see that Mrs Y's Revolut balance was topped up in between scam payments and the audit records show Mrs Y accessing her Revolut *app* throughout the scam period. Again, there's no persuasive evidence that anyone but Mrs Y was in possession of her device and I note she's in any event said she questioned the scammer about money leaving her account. On this evidence – and again considering the steps I've said Mrs Y must have taken *in-app* – I'm not convinced she had no awareness that payments were being made from her account, such that it'd be fair to find the payments were unauthorised, even if Mrs Y may have been tricked into believing the activity was part of an effort to "mask" the money from 'fraudsters'.

Did Revolut miss an opportunity to prevent Mrs Y's losses?

In broad terms, the starting position at law is that Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the PSRs and the terms and conditions of the customer's account.

But, taking into account regulatory expectations and requirements, and what I consider was good industry practice, Revolut ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I've reviewed Mrs Y's account statements. Having considered when the disputed payments were made, their value and who they were made to, there was probably enough for Revolut to have considered some of the activity suspicious. But, as I've set out above, Revolut did step in. It declined a payment, froze Mrs Y's card, declined another payment and restricted the spending on the account until it received confirmation that Mrs Y recognised the activity.

I'm satisfied that the steps Revolut took were proportionate to the payment risks presented at the time. And I don't think it was remiss of Revolut to allow the further payments that were processed (before payments were again later declined) without carrying out additional checks, given the steps it had already taken to check for the possibility of fraud.

Recovery

All the disputed payments were made by card. Revolut's only possible way to recover the funds would have been through the chargeback process. However, there was no realistic prospect of success because the payments were made to genuine merchants, and there is no evidence that the goods or services were not provided, even though they were obtained by the scammer rather than for Mrs Y's benefit.

I'm very sorry that Mrs Y was scammed and for the impact the whole experience has had on her. I understand why she wants to do all she can to recover her money. However, based on the evidence, I don't think it would be fair to uphold her complaint against Revolut.

My final decision

For the reasons I've given, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs Y to accept or reject my decision before 24 February 2026.

Thomas Cardia
Ombudsman