

The complaint

Mrs M complains that Revolut Ltd won't refund the money she lost when she was the victim of a scam.

What happened

In April 2024, Mrs M received a phone call from someone who said they worked for another bank she held an account with and had detected a potentially unauthorised payment. Mrs M was passed to what she was told was the other bank's fraud team and asked whether she had made a particular payment. And when she said she hadn't, she was told she needed to make a series of payments out of her account in order to keep her money safe.

Mrs M then followed the instructions she was given and made a series of payments out of her account with the other bank to her Revolut account, and then on to account details the caller gave her.

I've set out the payments Mrs M made from her Revolut account below:

Date	Amount
12 April 2024	£3,799.99
12 April 2024	£3,650.50
13 April 2024	£3,299.99
13 April 2024	£3,150.50
13 April 2024	£4,300.00
13 April 2024	£1,399.99

Unfortunately, we now know the call was a scam. The scam was uncovered while Mrs M was trying to make another payment out of her account with the other bank. She was speaking to the other bank about the payment while also still on the phone to the scam caller, but the scam caller then hung up and Mrs M told the other bank what had been happening.

Revolut investigated and was able to recover £8,317.41 of the money Mrs M had lost. But it said it had fulfilled its duty to Mrs M by providing sufficient scam warnings and wasn't at fault for processing the payments she authorised. So it didn't agree to refund any more of the money she had lost. Mrs M wasn't satisfied with Revolut's response, so referred a complaint to our service.

I sent Mrs M and Revolut a provisional decision on 8 August 2025, setting out why I intended to uphold the complaint. That provisional decision forms part of this final decision and is copied below:

"Did Revolut do enough to protect Mrs M when she was making 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 and withdrawals that a customer

authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

Taking into account relevant law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable in April 2024 that Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including 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 firms are generally more familiar with than the average customer;*
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;*
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice Revolut sometimes does including in relation to card payments);*
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.*

But, even if Revolut had recognised that Mrs M was at heightened risk of financial harm from fraud when making some of these payments, I don't think the action I would have expected it to take would have prevented her loss. I'll explain why below.

I'm satisfied Revolut ought to have recognised that Mrs M was at heightened risk of financial harm from fraud by at least the point she tried to make the third payment here, for £3,299.99 on 13 April 2024. At this point Mrs M had tried to make three payments to the same new payee for similar amounts over the past two days, and the payments were all funded by credits into the account for similar amounts immediately beforehand – which is a pattern of payments often seen when customers are falling victim to a scam.

I think a proportionate response to the risk I think Revolut should have identified would have been for it to carry out some sort of human intervention with Mrs M, asking her a series of questions in order to try to establish the circumstances surrounding the payments and the actual scam risk, and then to provide her with a written warning relevant to that risk. But, had it done this, I'm not persuaded that it would have prevented Mrs M's loss.

Revolut did intervene when Mrs M made a number of these payments. For three of the payments, Mrs M was shown a warning which said that the payment had been flagged as a potential scam. Revolut then showed her a message which explained that, if she was being scammed, the fraudster may ask her to hide the real reason for the payment and asked her to answer its questions truthfully.

Mrs M was then asked whether she was being prompted or guided on how to answer Revolut's questions. But despite still being on the phone with the scam caller, she answered that she was not. Mrs M was also then asked to select the purpose of the payment from a list of options Revolut gave her. And she selected 'pay a family member of friend', despite this not being an accurate explanation of the reason for the payment.

For one of the payments, Mrs M was then directed to a live chat with a Revolut agent and asked for some additional details about the payments. But she again answered that the payments were for a friend and said they were to pay for a holiday they were booking. Revolut warned that scammers may impersonate another bank and pressure you to make payments and ignore its alerts, and to never ignore these alerts. But despite this being very similar to what she understood was happening, Mrs M continued making the payments. She then also said again that she wasn't being guided on how to make the payments and was trying to pay someone who was in front of her.

I've also seen Mrs M's communication with the other bank she initially sent the money from. And in this, she's warned about the possibility of being the victim of a scam, given a relatively detailed explanation of the scam she was falling victim to, and asked relevant questions about the circumstances of the payments – but gave incorrect and misleading information about them.

So even if Revolut had asked more open-ended and probing questions to establish the scam risk when Mrs M made the third payment here, I think it's likely she wouldn't have given it accurate information about the purpose of the payment or the circumstances surrounding it – as happened with the questions she was asked by both Revolut and the other bank. And so I don't think Revolut would have had significant concerns following its questions and I don't think any warning I would have expected it to show following those questions would have stopped Mrs M from making the payments or losing the money she did.

I appreciate that Mrs M has been the victim of a cruel scam and that my decision will come as a disappointment to her. She has lost a significant amount of money and I sympathise with the position she has found herself in. I also understand that she only answered Revolut and the other bank's questions in the way she did because the scam caller was coaching her to do so. But I can only look at Revolut's responsibilities and, for the reasons I've set out above, I don't think anything I would reasonably have expected Revolut to have done would have prevented the loss she suffered.

Did Revolut do enough to try to recover the money Mrs M had lost?

Good industry practice – derived from the Best Practice Standards for recovery of funds lost to an APP scam – establishes that, once they are notified of a scam, firms should immediately contact the provider of an account that received funds as a result, to try to recover the funds.

Exactly what 'immediately' means isn't defined within the standards. But I considered it fair and reasonable to say that up to one hour would be an appropriate interpretation. And this reporting ought to be taking place 24/7.

From what I've seen of the communication when Mrs M reported the scam, Revolut had the key details it would need to contact the receiving bank by around 18:40 on 13 April 2024. But it didn't then contact the receiving bank to try to recover Mrs M's funds until 22:58, which is significantly more than one hour later.

From the information we've received from the receiving bank about when the funds Mrs M sent were subsequently removed from the account they were sent to, it appears that an

additional £959.83 would have been available to be recovered if Revolut had acted in line with the expectations I've set out above.

So if Revolut had contacted the bank the payments Mrs M made were sent to more quickly, as I think it should have done, more of the loss Mrs M suffered could have been recovered. And so I think it would be fair for Revolut to now refund Mrs M this additional £959.83 which could have been recovered.

Revolut has suggested Mrs M acted negligently in not carrying out more checks on the legitimacy of the calls she received before making the payments. But, regardless of how reasonable Mrs M's actions may or may not have been, I think these losses could have been recovered – and without any loss to either her or Revolut. So I don't think it would be fair to apply any reduction to these additional funds I think Revolut should now refund here.”

I said I'd consider anything further Mrs M and Revolut submitted following the provisional decision, provided it was received by the deadline given.

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.

Neither Mrs M nor Revolut provided any further evidence or arguments to be considered by the deadline given in the provisional decision. I therefore still think the conclusions I set out in the provisional decision are correct, and for the same reasons.

I still don't think anything I would reasonably have expected Revolut to have done would have prevented the loss Mrs M suffered. But if Revolut had contacted the bank the payments Mrs M made were sent to more quickly, as I think it should have done, it could have recovered an additional £959.83. And so I think Revolut should now refund this amount to her.

My final decision

For the reasons set out above, I uphold this complaint and require Revolut Ltd to:

- Refund Mrs M an additional £959.83
- Pay Mrs M 8% simple per year, calculated from the date she reported the scam (13 April 2024) to the date of settlement

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 10 October 2025.

Alan Millward
Ombudsman