

The complaint

Mr M has complained that Revolut Ltd won't refund money he says he lost to a scam.

What happened

The background of this complaint is well known to both parties, so I will not repeat them again here. Instead, I will focus on giving the reasons for my 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 agree with the investigator's finding for broadly the same reasons, I will explain why. I've taken into account Mr M's very detailed submissions about what happened at the time. I hope he doesn't take it as a discourtesy that I don't reply to every point he has made. The purpose of my decision is to explain my findings on the issues I consider key in the complaint. I would also point out that I really do appreciate the impact this issue has had on Mr M. But in reaching my decision in this case, I have to put aside my natural feelings of empathy and consider the case impartially and fairly, based on the available evidence. In broad terms, the starting position in law is that an EMI is expected to process payments that their customer authorises them to make. It isn't disputed that Mr M authorised the payments from her Revolut account. Therefore, under the Payment Services Regulations and the terms of her account, Revolut is expected to process Mr M's request, and he is presumed liable for the loss in the first instance.

But, 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 July 2025 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;
- 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);
- 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.

Having reviewed the disputed transactions, I agree with the Investigators findings that the payment Mr M made on 1 July 2025 at 16:36:20 for £86.03 ought to have triggered Revolut's fraud detection systems. I say this because, Mr M had made several transactions, of a similar value in quick succession to the same recipient. And while I appreciate it was a relatively new account, the account activity represented the hallmarks of a job scam.

So, I have gone on to consider what a proportionate intervention would have been, if Revolut had intervened on this payment. The FCA's Consumer Duty, which was in force at the time these payments were made, requires firms to act to deliver good outcomes for consumers including acting to avoid foreseeable harm. In practice, this includes maintaining adequate systems to detect and prevent scams and to design, test, tailor and monitor the effectiveness of scam warning messages presented to customers. As such, firms, have developed warnings to recognise both the importance of identifying the specific scam risk in a payment journey and of ensuring that consumers interact with the warning.

In light of the above, by September 2024, when these payments took place, Revolut should have had systems in place to identify, as far as possible, the actual scam that might be taking place. An example of this is by asking a series of automated questions designed to narrow down the type of scam risk associated with the payment he was making – and provide a scam warning tailored to the likely scam Mr M was at risk from. I accept that any such system relies on the accuracy of any information provided by the customer and cannot reasonably cover off every circumstance. However, even if Revolut had asked a series of automated questions, as I have highlighted above (which I deem to have been a proportionate intervention at that time), I am satisfied it wouldn't have prevented the loss from occurring.

I say this because, from considering the evidence provided I can see that Revolut did intervene on several of the disputed transactions (in the way I have highlighted above). And Mr M didn't provide accurate answers to the questions Revolut asked.

The first time Revolut intervened was on the attempted transaction on 1 July 2025 at 11:20:43. Mr M was asked "Is anyone pressuring you to make this transaction?" Mr M said "No, I am completing this transaction by myself". When Revolut asked for the purpose of the payment, Mr M cancelled the transaction.

The second time Revolut intervened was on 1 July 2025 at 16:15:33 for £86.04. This was prior to the payment in which I have said Revolut ought to have recognised as a risk. Mr M was first told "Something doesn't look right – Your Transaction has been identified by our system as a potential scam". Again, Mr M was asked "is anyone pressuring you to make this Transaction? If you are being told what to say, or that you need to act quickly, this may be a scam". Mr M said "No, I am completing this transaction by myself". He was asked why he was making the transaction. Mr M said he was buying goods and services from an online marketplace or retailer. Mr M was asked further questions in regards to this, where he confirmed he had seen the items in person and that he knew the seller. This isn't consistent with what Mr M told our service about why he was making the payments.

The third time Revolut intervened was on 1 July 2025 at 17:27:23 for £86.03. When Mr M was asked why he was making the payment he said he was "paying a family member or friend" and he explained it was because he owed money. Mr M was asked further questions about this, and he explained he had been given the payment details face-to-face and he wasn't asked to pay unexpectedly. Again, this is inconsistent to what Mr M told our service. Therefore, I am satisfied even if Revolut had intervened on the payment I have highlighted above, Mr M wouldn't have provided accurate answers to the questions it asked, preventing it from identifying the true risk Mr M was potentially exposed to. I can't hold Revolut responsible for this.

Recovery

I've also thought about whether Revolut could have done more to recover the funds once it became aware of the situation. Mr M has said Revolut didn't start investigating the loss of his funds until 11 July 2025. I have seen evidence to show this is not the case. Revolut did initiate contact with the receiving bank (an international bank), in a timely manner but the beneficiary bank didn't respond. In any event, due to the payment being an international transfer, I am satisfied it was always unlikely the funds would have been recoverable as scammers usually move the money quickly.

Compensation

Mr M has said he wants Revolut to pay £1,000 for the trouble and upset he has suffered during its investigation into his complaint. Our Investigator has explained to Mr M that he would need to raise this matter with Revolut and allow it an opportunity to respond prior to our service investigating. Therefore, I won't be commenting on this any further.

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 26 February 2026.

Jade Rowe
Ombudsman