

The complaint

Mrs M is complaining that Revolut Ltd hasn't refunded payments that were made to an investment scam.

The complaint is brought on her behalf by a professional representative, but I'll mainly refer to Mrs M here.

What happened

Mr and Mrs M came across an advert for an investment opportunity on a social media platform. They called the number on the advert and spoke to someone about the opportunity.

They decided to invest, and were given an "account manager". An account was created for them on a convincing looking investment platform. Mrs M opened an account with Revolut and transferred funds into it from another provider. The following payments were then made, by transfer, from her account with Revolut to what Mr and Mrs M thought was the genuine investment platform, which was later uncovered to be a scam.

Payment	Date	Payee	Amount
1	25 January 2024	An overseas company	5,720.03 EUR
2	31 January 2024	An authorised payment institution (API).	£4,101
3	1 February 2024	An authorised payment institution (API).	£10,564.59

The scam was uncovered a couple of weeks after these payments, after Mr and Mrs M had a number of conversations with the other provider about their account activity. On 20 February 2024 Revolut told Mrs M it would be closing her account, and it returned the balance to her account with the other provider.

In January 2025 Mrs M complained to Revolut. She said she didn't authorise Payments 2 and 3 and she was unhappy her account had been closed. Revolut responded to say that it considered she had authorised the payments, and her account had been closed in line with its terms and conditions.

Mrs M then raised another complaint through her representative, this time explaining that she had made payments to a scam. Revolut responded to say that it thought it had done enough to warn Mrs M about the risk of making the payments. Revolut also attempted to

recover the funds, but it was unsuccessful.

Mrs M brought a complaint to the Financial Ombudsman Service, where it was looked into by our Investigator. But he didn't think Mrs M's complaint should be upheld. Mrs M didn't agree, so her complaint has been passed to me for review and a 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'm not upholding Mrs M's complaint, for much the same reasons as the Investigator has explained.

Was Payment 3 authorised?

Mrs M now accepts she authorised Payments 1 and 2 but disputes authorising Payment 3. So, I've considered this point first.

In line with the Payment Services Regulations 2017 (PSRs), Mrs M would generally be liable for payments she authorises – whereas Revolut would be liable for unauthorised payments. The PSRs specify that authorisation depends on whether the payment transaction is authenticated correctly – and whether Mrs M consented to it. The PSRs specify how consent is given: it must be in the form, and in accordance with the procedure, agreed between Mrs M and Revolut.

To establish the agreed form and procedure, I've reviewed the terms and conditions of Mrs M's account at the time the payments were made. The terms say:

“Just enter the sort code and account number (or, for international payments, the IBAN) of the account you're sending money to in the Revolut app and follow the prompts. We may need to ask for other information as well.”

When Payment 3 was instructed Mrs M's Revolut account was accessed using her passcode and on the same device – an Android phone – that was used to open the account and instruct the other two payments. This was the only device linked to Mrs M's Revolut account, and I must conclude this was Mrs M's device. And Mrs M has told us she didn't disclose her login details to anyone else. The technical evidence does lead me to conclude that Mrs M logged into her Revolut app herself and entered the sort code and account number to instruct the payment.

I appreciate Mrs M says she wasn't aware of the true destination of the payment, but this isn't a consideration in whether it was authorised. I say this because under the PSRs, giving consent to a payment is a formal concept. Consent is given when the agreed procedure is completed by the payer. The rules don't require the payer to be fully aware of the details of a payment, such as its amount or purpose, to consent to it.

I've concluded that Mrs M carried out the agreed procedure to make Payment 3 and therefore she consented to it, even if she was tricked into sending the payment to somewhere she didn't intend for it to go. So, I'm satisfied that Mrs M authorised Payment 3 and the starting point is that Revolut doesn't need to refund it.

Should Revolut have done anything else to intervene and warn Mrs M?

I've concluded that Mrs M authorised all of the disputed payments here. And Revolut does have a duty to act on her payment instructions. But in some circumstances, Revolut should take a closer look at the circumstances of the payments – for example, if they ought to be alert to a fraud risk, because the transaction is unusual, or looks out of character or suspicious. And if so, Revolut should intervene before releasing the payment. I'd expect any intervention to be proportionate to the circumstances of the payment.

The account had been newly opened as part of the scam and so Revolut wouldn't have had much information to establish whether the disputed payments were unusual or out of character. However, Revolut did intervene on Payment 1 here by asking Mrs M the purpose of the payment. She selected "*something else*" even though she could have selected "*as part of an investment*." Mrs M then confirmed that nobody was telling her how to answer the questions or had told her which option to select. She also confirmed that she hadn't been told her account wasn't safe, she hadn't been asked to download software, and she'd not been told to ignore any warnings from Revolut. Revolut gave Mrs M an impersonation scam warning and then released the payment.

Revolut also intervened in the same way on a second payment that Mrs M attempted to the same payee as Payment 1, but which was ultimately rejected when the in-app chat wasn't completed. But in this case, after giving Mrs M a warning it asked her to join an in-app chat, and in this chat, she confirmed that the payment was for digital marketing, she knew the seller was legitimate, she'd seen proof of ownership of what she was buying, and the price wasn't cheaper than usual.

Revolut also intervened on Payment 2, and Mrs M said she was transferring funds to her other account. She said she wasn't being assisted with the questions, she hadn't been asked to install software, and she was making the payment to an account she was in control of. Again, Mrs M was asked to join the in-app chat, and she confirmed that she wasn't being guided, and she was using Revolut to make this transfer because it was cheaper and the exchange rates were better than her bank. Revolut gave Mrs M another impersonation scam warning and released the payment.

Revolut didn't intervene on Payment 3, but it had already carried out a direct intervention on Payment 2 which was to the same destination.

Whilst Revolut could potentially have probed further via its in-app chat on Payments 2 or 3, I don't think this would have led to the scam being uncovered. This is because I don't think that at this point Mrs M would have disclosed that the payments were being made as part of an investment so that Revolut could have given a relevant investment scam warning (or even if it had, that Mrs M would have heeded it, as later conversations between Mr and Mrs M and their other account provider demonstrate that they were quite strongly under the spell of the scammer).

Mrs M has told us that she was told by the scammer to answer the questions in a way which would ensure the payments wouldn't be stopped and she followed their instructions, and whilst Revolut should have been aware of this possibility, the effectiveness of an intervention does also rely on the customer being open and honest about what's happening, which isn't what happened here.

The scam was eventually uncovered a few weeks after these payments were made, after Mr and Mrs M had discussions with their account provider, but I can see that it took a number of telephone conversations as well as an intervention from their branch manager to persuade them that they had been the victim of a scam. It wouldn't have been proportionate for

Revolut to have carried out such detailed interventions in the circumstances of the payments here. Revolut's terms and conditions explain that its main form of communication will be via the app, and this is how it will communicate in cases of suspected fraud. So, although I understand why Mrs M may think a phone call would have been more effective in uncovering the scam, I don't think I can reasonably conclude that Revolut should have communicated with her in a different way here.

Ultimately, I don't think Revolut could reasonably have uncovered the scam here as part of a proportionate intervention. So, I don't think Revolut could have prevented Mrs M's loss and it wouldn't be reasonable for me to ask it to refund the payments she made.

Other considerations

There are industry standards around attempting recovery of payments when a scam is reported. Revolut did attempt to recover the payments, but it was unsuccessful. However, given the time between the payments being made and scam being reported, there wasn't any reasonable prospect of recovery succeeding here.

Mrs M has mentioned she had difficulty making a complaint to Revolut. I can see from Revolut's final response letter that she did email it in November 2024 to ask about the authorisation of the payments and received a response she wasn't satisfied with, but then she continued to email Revolut on its no-reply address, which may explain why she didn't receive a further response. In January 2025 she made a formal complaint to its complaint email address, which Revolut responded to.

For completeness, I've reviewed the terms and conditions of Mrs M's account with Revolut, and I'm satisfied Revolut didn't act unreasonably in taking the steps it did when it closed her account. I've not found that Revolut withheld Mrs M's funds – it looks like the other provider recalled the funds remaining in the account on 19 February 2024 and had received them back by 22 February 2024 - and I don't think it's obliged to give any further reasoning around the account closure.

I'm sorry to disappoint Mrs M. But I've not found that there are any reasonable grounds for me to direct Revolut to refund the disputed payments.

My final decision

My final decision is that I'm not upholding Mrs M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs M to accept or reject my decision before 10 April 2026.

Helen Sutcliffe
Ombudsman