

The complaint

Miss S has complained that Revolut Ltd won't refund money she lost to a scam.

What happened

The details of the complaint are 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 findings for broadly the same reasons. I will explain why. But first, I'm very aware that I've summarised this complaint very briefly, in far less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here.

In broad terms, the starting position in law is that an Electronic Money Institute (EMI) is expected to process payments that their customer authorises them to make. It isn't disputed that Miss S knowingly made the payments from her account and so, I'm satisfied she authorised them. Therefore, under the Payment Services Regulations 2017 and the terms of her account, Revolut is expected to process Miss S' request, and she is presumed liable for the loss in the first instance.

However, taking into account the regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Revolut to take additional steps or make additional checks before processing a payment to help protect customers from the possibility of financial harm from fraud.

The question then arises whether Revolut ought reasonably to have held such suspicions or concerns in relation to Miss S' payments - and if so, what might've been expected from a proportionate intervention at that time. Further to that, where there is an interaction between a customer and an EMI before a high value payment is processed, as there was here, I'd expect the EMI to take reasonable steps to understand the circumstances of that payment.

So, taking all of this into account, I need to decide if Revolut acted fairly and reasonably in their dealings with Miss S when she made the payments. Specifically, whether they should've done more than they did before processing them – and if they had, would that have made a difference. I also need to decide if Revolut could've reasonably recovered the lost funds.

It appears that Miss S first opened her account with Revolut on 28 March 2024 and the first payment she made to the scam was on 25 April 2025. Our investigator has said that payments prior to the £1,977.42 payment made on 29 April 2025 didn't warrant an intervention as they wouldn't have appeared unusual. And I am minded to agree. I say this because, the payments being disputed here were, individually, of a relatively low value –

with £511.72 being the highest. And spread out over a three-day period. Revolut has a difficult balance to strike in how it configures its systems to detect unusual activity or activity that might otherwise indicate a higher than usual risk of fraud.

There are many millions of payments made each day, and it would not be possible or reasonable to expect an EMI to check each one. As I mentioned above, while I don't doubt the payments represented a lot of money to Miss S, they are of values which I don't think would have appeared so suspicious or unusual to Revolut, when compared with other payments that it processes daily. So overall I don't consider the payments Miss S made to have been remarkable enough to have warranted Revolut to act and have contacted Miss S ahead of processing them.

However, when Miss made the payment on 29 April 2025 for £1,977.41, taking into account this was a significant increase to Miss S expenditure, the fact the payments was being made to a cryptocurrency provider, and the prior account activity, I think it reasonable to conclude Revolut ought to have intervened.

Whilst Revolut had intervened on some of the previous disputed transaction, it hadn't done so on the one Miss S made on 29 April 2026, for £1,977.42.

So, I have gone on to consider what a proportionate intervention would have been, if Revolut had intervened. 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 April 2025, 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 for example by asking a series of automated questions designed to narrow down the type of scam risk associated with the payment she was making – have provided a scam warning tailored to the likely scam Miss S 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, Revolut had intervened on prior transactions, in the way I have highlighted above. On each intervention, Miss S was asked the reason for her making the payments. Having reviewed the answers she provided, I am satisfied she didn't provide accurate answers to the questions Revolut asked.

Therefore, this denied Revolut the opportunity of understanding the true circumstances of why Miss S was making the payments and to identify the risk that was posed. For example, on one occasion, Miss S had stated she was paying a friend or family as she was purchasing something from them (at this stage the payment was going to an individual's account) therefore, while this was a scam payment, Revolut had no reason to doubt Miss S' responses. On another occasion, Miss S stated she was making the payment for investment purposes recommended by a friend or family member. She said that she had invested in cryptocurrency previously and that she had checked the FCA register reviews. Again, this wasn't an accurate reflection of Miss S' circumstances (as she was making the payments for a job scam).

With that in mind, I am satisfied, even if Revolut had intervened on this transaction in the way I have highlighted above, its unlikely to have unveiled the scam, as I am persuaded, Miss S would have answered Revolut's questions in a similar way to how she had previously, inaccurately, preventing Revolut from identifying the risk and preventing it from providing a warning which would have resonated with Miss S . This is supported by the fact Miss S has told our service that she was "*talked into ensuring payments would go through smoothly under the scammers guidance*". Therefore, I am satisfied a proportionate intervention would not have broken the spell for Miss S, as she was being guided by the scammer. And I can't reasonably hold Revolut responsible for this.

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 Miss S to accept or reject my decision before 2 March 2026.

Jade Rowe
Ombudsman