

The complaint

Mr S says Revolut Ltd ('Revolut'), didn't do enough to help when he fell victim to an authorised push payment ('APP') investment scam. He says Revolut should reimburse him the money he lost.

What happened

The background to this complaint was set out in detail by the Investigator and is well known to both parties, so I won't repeat it all in detail here. But I've summarised it briefly below.

In or around early 2021, Mr S says he was introduced to an investment opportunity by his father. Mr S transferred funds from his Revolut account to his father's bank account for his father to in turn send on, as his father already had an account set up with the investment company. Below is list of the relevant payments Mr S made from his Revolut account.

	Date	Time	Type of transaction and payee	Amount
1	12 May 2021	10.50am	Faster payment to 'S'	£1
2	12 May 2021	1.33pm	Faster payment to 'S'	£4,000
3	25 May 2021	6.42pm	Faster payment to 'S'	£1
4	25 May 2021	6.47pm	Faster payment to 'S'	£999
			TOTAL	£5,001

Unfortunately, the investment wasn't genuine and was a scam. Mr S reported the matter to Revolut and sought a reimbursement of the funds he had lost. In short, Revolut didn't uphold Mr S's complaint and didn't consider it was liable for his loss.

Unhappy, Mr S referred the matter to our service. Our Investigator reviewed the matter and didn't recommend the complaint be upheld. As Mr S disagreed with the Investigator's opinion, and as the matter hasn't been resolved, it's been passed to me to decide.

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.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the time.

I'm aware that I've summarised this complaint and the responses briefly, in 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 – which is to determine whether Revolut should have done more to prevent Mr S's losses or is liable in some other way. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as an alternative to the courts.

Having thought very carefully about Revolut's actions, I'm not upholding Mr S's complaint. I do appreciate how disappointing this will be for him, and I can understand him wanting to try and do all he can to recover his funds. But in weighing everything up, I don't find there were any failings by Revolut, so I don't find it is liable to reimburse Mr S. I'll explain why.

The relevant law and regulations in place at the time

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

It is agreed by all parties that Mr S made the payments. So, it is the case that Mr S authorised all the payments that are in dispute. And under the Payment Service Regulations 2017 (which are the relevant regulations in place here) that means Mr S is responsible for them. That remains the case even though Mr S was the unfortunate victim of a scam.

However, there are times when I might expect a bank to question a transaction or payment, even though it may have been properly authorised. Broadly speaking, firms (like Revolut) should fairly and reasonably have been on the lookout for the possibility of fraud in order to protect its customers from the possible risk of financial harm as a result of fraud and scams.

What does this mean for Mr S?

In this case, I need to decide whether Revolut acted fairly and reasonably in its dealings with Mr S when he made the payments, or whether it should have done more than it did.

I've thought about this carefully. Having done so, I can't fairly say any of the payments Mr S made would (or should) have alerted Revolut that Mr S was at risk of financial harm, to an extent whereby it should have carried out some additional checks before processing the payments.

I have to be mindful that banks process a high volume of transfers and transactions each day. And a bank has to strike a balance as to when it should possibly intervene on a payment against not holding up or delaying its customer's requests. I don't consider there is anything unusual or remarkable about the payments or the amounts that ought to have alerted Revolut to the possibility Mr S was being scammed or was at risk of financial harm at the time he was making the payments.

I appreciate Mr S made a payment for £4,000, and while not an insignificant sum, I don't think the amount was sufficient enough to warrant any additional checks from Revolut. I'm mindful that there wasn't a pattern of payments that were indicative of fraud, for example multiple payments made in quick succession, or multiple payments whereby the amounts were increasing in value. I'm also mindful that the destination account wouldn't have given Revolut any cause for concern – for example such as where a payment was identifiably going to a cryptocurrency destination which can be an indication that a customer may be at risk of potential financial harm from fraud.

So, overall, I don't think there was an indication to Revolut at the time that Mr S may be at risk of falling victim to fraud. So, I can't say Revolut acted unfairly in not carrying out any additional checks on the payments or intervening and questioning Mr S about the payments.

Recovery of the funds

Revolut was limited in what it could do here. It could only seek a recovery of any funds from the destination/beneficiary account. Given Mr S had sent the funds to his father's account, and these were then sent on, there wasn't anything further Revolut could have done to help Mr S recover his funds.

Mr S's concern that others have been reimbursed

Finally, I appreciate Ms S has advised that other individuals, in similar circumstances to him, have received reimbursement of their losses. I can't comment on the outcome of other claims or complaints or comment on other responses from firms to customers and what course of action those firms chose to take in response to a scam claim/complaint. I can only consider the circumstances of the complaint before me when deciding what's fair. Here Revolut declined reimbursing Mr S and my role is to determine whether that was fair or not.

Summary

In summary, while I appreciate Mr S has been the unfortunate victim of a scam, I think Revolut's decision not to refund him in this instance was fair and reasonable in the circumstances. I say this because Revolut followed Mr S's instructions to make the payments, and I haven't seen any reason why it shouldn't have done this. Unfortunately, there wasn't anything Revolut could do to help recover Mr S's funds either. Overall, it wouldn't be fair to hold Revolut responsible for refunding Mr S, when it couldn't reasonably have been expected to have prevented or recovered his loss.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 19 December 2025.

Matthew Horner
Ombudsman