

The complaint

Ms F is the director of a limited company that I shall refer to as E. Ms F has complained, on E's behalf, that Revolut Ltd did not refund money E lost to a scam.

What happened

On 11 September 2023, Ms F received a call from someone she now knows was a scammer. Ms F said the scammer knew a lot of information about E's account and convinced her they were calling from Revolut due to possible fraudulent activity on it.

The scammer told Ms F she would need to provide a code to pass security. In fact, it appears that the scammer had input E's card details into a new device to set up Apple Pay. The scammer's action prompted Revolut to send Ms F a one-time passcode (OTP) via SMS to confirm it was her setting up the new payment instrument. Ms F provided the OTP to the scammer which meant they were able to make payments from E's account.

The following sequence of payments/actions occurred:

- Scammer attempted a £660 payment to a limited company I will call R. This was declined by Revolut and E's card frozen.
- Using the Revolut app, Ms F unblocked E's card and took actions which confirmed that she had wanted the £660 payment to go ahead. Ms F said this was due to her belief that she was confirming a payment made by one of E's employees was genuine.
- Scammer ended the call with Ms F and then successfully made a payment of £12,000 to R.
- Scammer attempted two payments to an electronics store. Revolut declined these due to the card limit being reached.
- Scammer attempted a payment of £11,510 to a luxury goods store. Revolut declined this and froze E's card.
- Scammer called Ms F again and told her there had been fraudulent activity on E's account. Ms F could see that £12,000 had now left E's account, as well as the declined transactions.
- Using the Revolut app, Ms F took actions which Revolut said unblocked the card and confirmed it was her attempting the payment of £11,510. Ms F said she took this action believing she was allowing a refund of £12,000 to be processed.
- Ms F amended the card limit in her Revolut app. She said she did this as the scammer convinced her that the limit also applied to refunds.

- Scammer made a successful payment of £11,510 to a luxury goods store.

Ms F reported the scam as soon as she realised what had happened. Revolut refused to reimburse E's money, so Ms F brought the complaint to us. She thought Revolut should have done more to prevent E from losing the money and should make it easier for customers to sort things out after reporting a scam. Ms F said that being without the money had a significant impact on E's business.

Revolut made a number of points but ultimately thought that Ms F had authorised the transactions or failed with intent or gross negligence to keep E's security details safe. So, it didn't think it should be responsible for reimbursing E for its loss.

I issued a provisional decision on 11 November 2025, explaining why I intended to uphold E's complaint. In the provisional decision I said that under the relevant law – the Payment Services Regulations 2017 (PSRs) – the starting point is that E is liable for authorised payments and Revolut is liable for unauthorised payments. And where a payment is authorised, that will often be because the customer has made the payment themselves. But there are other circumstances where a payment can be considered authorised, such as where the customer has given permission for someone else to make a payment on their behalf or they've told their payment service provider they want a payment to go ahead.

While I thought Ms E had taken actions in her app which confirmed to Revolut that she had wanted the payment of £660 to go ahead, I didn't think Ms F had consented to the payment of £12,000 that followed. Given the difference in the amount of the transaction and taking into account what Revolut would have known about scams as that time, I thought Revolut should treat that transaction as unauthorised. I recommended that Revolut refund the £12,000, plus 8% interest, as I didn't think Ms F had failed with intent or gross negligence to keep E's details secure.

I did, however, say that I intended to find that it was fair for Revolut to treat the payment of £11,510 as authorised. I provisionally decided that Revolut should reimburse £7,755 of this, plus 8% interest, as I thought E should bear some contributory negligence towards the loss.

Revolut accepted my provisional decision, but Ms F didn't agree that 50% should be deducted from the second transaction. In summary Ms F said:

- She did not create or select a payee, and all transactions were created by the scammer.
- She does not believe she was negligent. She believed she was extending the account limit and unfreezing the card to allow a refund after Revolut had secured the account.
- The account was only blocked due to the payment limits she'd set and not due to Revolut's fraud controls.
- She didn't see anything which resembled a payment screen. She pressed 'yes' over what looked like a struck-through transaction and there was no way to see who the payee was or that a payment was being made. Ms F provided screenshots of what she remembers seeing when the transactions were made.
- Under the PSRs a payment is only authorised if clear, informed consent is given. Being tricked into giving consent whilst believing a refund was being authorised isn't consent.

- The rules say that customers can only be held liable if they act with gross negligence, which isn't the case here.
- By 2023 the FCA and the Lending Standards Board recognised that people can easily become victims of social engineering, and their guidance makes it clear that on-screen confirmation doesn't mean they have given consent.
- Revolut should have done more to stop the scam and intervened.

I asked Revolut for further confirmation that Ms F had seen the payment screens they had provided. Revolut provided updated screenshots which differed to those originally provided. Ms F said these were still not what she had seen at the time of the scam and remained of the view that Revolut should reimburse the full amount of the loss. As Ms F didn't agree to my provisional decision I have gone on to reach a final 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 don't intend to depart from the findings in my provisional decision. As neither party has disputed the outcome of my findings on the first transaction of £12,000, I'm not going to comment on this further. I will focus on the second transaction, of £11,510, which remains in dispute.

Ms F has made a number of detailed points about what she feels Revolut should do to both protect its customers from being scammed and to support them to getting their money back. While I've summarised this complaint 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 significant part here. 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 a free alternative to the courts.

Can Revolut fairly treat the disputed payment as authorised?

It's common ground that Ms F was the victim of a cruel scam, and it doesn't appear to be in dispute that she shared the OTP and completed steps in E's banking app. But Ms F doesn't think E should be held liable for the payments because she was scammed and Revolut should have done more to prevent it. She also disputes seeing the payment screens Revolut said she would have seen and says that she did not know she was making a payment.

With regard to sharing the OTP Ms F accepts that she didn't read the message from Revolut properly because the scammer distracted her by talking and explaining why the code referred to Apple.

I'd like to reassure Ms F that I've listened to a call between her and our Investigator and understand that Ms F did not create a payee or input any of the details herself. I accept Ms F's testimony that she had seen money had left her account, as well as further declined transactions. The scammer was persuasive, she was panicked and thought she was agreeing to a refund, rather than a payment. But, I also have to consider the actions Ms F took and whether it was reasonable for Revolut to rely on any representations she made in order to carry out the transaction.

The screenshots Ms F provided show the details of the transactions that were made, or

attempted, not what she pressed when unblocking the account. Ms F said she was asked something like “is this you?” and presented with a heart or a cross to confirm “yes” or “no”. Ms F has been consistent in her account of what she saw at the time, but I don’t think I need to make a finding on whether Ms F did see the screens Revolut say she did. I say this because, even if Ms F did only see what she recalls, the screenshots she’s provided also show that she was presented with the £11,510 transaction to the luxury goods store and essentially asked if the payment Revolut had declined was her. And, by confirming that it was her she effectively told Revolut that she wanted that payment to be made. So, when a transaction for the same amount was re-attempted, Revolut relied on this.

Ms F doesn’t believe that she consented to the payments because her consent wasn’t clear and informed. Ms F has referred to the FCA and Lending Standards Board in regard to how consent can be given, but she hasn’t specified which guidance she thinks is relevant. Under the PSRs, which is the relevant law, giving consent to a payment is a formal concept. Consent is given when an agreed procedure is completed by the payer. The reasons of the payer for doing so are not referenced, nor is there a requirement for the payer to have wanted to make the payment, or for consent to be clear and informed.

Taking all of this into account, I remain of the view that and it’s fair to treat this payment as authorised.

Did Revolut miss an opportunity to prevent E’s loss?

Although I think it would be fair to treat the payment of £11,510 as authorised, I have gone on to consider whether Revolut should have done more to prevent this loss.

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 PSRs and the terms and conditions of the customer’s account.

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 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. 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.

Ms F thinks that Revolut should have done more to protect E from this loss. And in this particular case, I think there were a number of indicators which should have stood out as unusual enough for Revolut to intervene. While, E’s previous account activity does show some higher value transactions, a new payment device had been set up and a number of

high value transactions to an electronics store and a luxury goods store were attempted within a relatively short period of time, which was unusual activity for E's account. By the time the transaction of £11,510 was attempted, I think a suspicious pattern had emerged that ought to have given Revolut concern that E was at risk of financial harm from fraud.

At this point, I consider it would have been good practice for Revolut to have attempted to establish the circumstances surrounding the payments before allowing further payments. Revolut did intervene in the previous payment by asking Ms F to confirm, via her app that the payment was legitimate. But I don't think this went far enough, as I think it should have carried out a human intervention, for example by directing Ms F to its in-app chat. If Revolut had done this, I think the scam would have been uncovered, as I've not seen anything to suggest that Ms F wouldn't have given accurate information. Instead, I think she would have been open about the call she was having with the scammer who purported to be from Revolut.

Should E bear any responsibility for its losses?

Where I think Revolut could have done more to prevent a loss, I need to think about whether E should bear any liability due to contributory negligence. Ms F has referred to customers only being held liable where they have acted with gross negligence, but this is in relation to payments which aren't authorised. I have explained why I think it's fair to treat this payment as authorised and therefore have considered whether E should bear any contributory negligence rather than whether Ms F, on E's behalf, was grossly negligent.

Ms F says the card was blocked due to the limit she had set rather than Revolut's fraud checks. It's unhelpful that the screenshots Revolut provided following my provisional decision differed from the original ones. But Revolut's audit log indicates that some of the transactions were blocked due to suspected fraud. And the screenshots Ms F has provided say that the card was frozen due to suspicious activity. So, I do think it's more likely than not that some of the transactions were blocked due to suspicious activity, as well as the transaction blocked by the limit set by Ms F.

While Ms F was tricked by the scammer, she did take a number of steps which I think most people would have considered red flags. Ms F had seen that £12,000 had been sent to R, as well as other declined transactions. Ms F told us that the scammer persuaded her that she needed to unfreeze her account in order to process the refund of £12,000 by pressing "yes" on the transaction to the luxury goods store. While I accept that the scammer was persuasive, I think it should have been a red flag that the amount and merchant differed to who she was expecting a refund from.

Ms F told us that she hovered over the "yes" button for around 10 minutes due to having concerns. I appreciate that she was unable to call Revolut, but she didn't take reasonable steps to check she was speaking to Revolut, such as by using the in-app chat. Ms F told us that she had time between calls and again time to consider whether to unfreeze her card. If she had re-read the SMS which contained the OTP, she would have seen that it said that it was to add the card to another device and not to share it, even if someone claims to be from Revolut.

I appreciate that Ms F was panicked and taken in by the scammer, but I remain of the view that it's fair and reasonable that she bears 50% responsibility for the loss of £11,510. Therefore, I think the fair and reasonable outcome is for Revolut to reimburse £5,755 of this loss. Due to the time E has been without the money it should have had, Revolut should add interest at 8% simple per year from the date of the transaction to the date it makes payment.

Should Revolut have done more to recover the loss?

As the disputed payment of £11,510 was made using E's debit card, the applicable route to recover the payment would have been the chargeback process. The rules are set by the relevant card scheme to settle disputes with the merchant.

Revolut would only be expected to raise a chargeback if it thought it had a reasonable prospect of success. The payment appears to have gone to a genuine merchant and there's no evidence to suggest they didn't provide goods or services in return for the payment - even if this was to someone else. So, a claim raised on that ground would likely be unsuccessful. As such, I don't think Revolut needed to do more to attempt to recover E's funds once aware of the issue.

Revolut's handling of Ms F's request for reimbursement

I have reviewed the chat Ms F had with Revolut following the scam and I can understand her frustration at what was a difficult and worrying time. However, I think Ms F's distress was primarily caused by falling victim to a cruel scam, rather than Revolut's handling of her request for reimbursement and in any event, as E is the complainant, I couldn't make any award for Ms F's distress. I'm satisfied that awarding 8% interest on the reimbursement is sufficient to compensate E for being without money that Revolut should have reimbursed sooner.

Putting things right

To put things right, Revolut should reimburse E £17,755, plus interest at 8% simple per year, calculated from the date of the transactions to the date it makes payment.

My final decision

I uphold this complaint and require Revolut Ltd to do as set out in the 'Putting things right' section above.

Under the rules of the Financial Ombudsman Service, I'm required to ask E to accept or reject my decision before 4 March 2026.

Sarann Taylor
Ombudsman