

The complaint

Mr O complains that Revolut Ltd won't refund payments he made as a result of a scam.

What happened

- Mr O was the victim of an impersonation safe account scam. On 13 September 2024, he was called by a fraudster who purported to be from Nationwide. They explained he'd been the victim of a phishing scam, and he needed to move his money from Nationwide into Revolut and onwards into a 'pocket account' to keep it safe.
- Mr O said he was reassured that the call was genuine as they sent a text message that appeared to come from Nationwide, and he received a separate call purporting to be from Revolut who confirmed the situation. He also felt reassured that the money was going into his own accounts.
- The following transactions happened as part of the scam:

Time	Description	Amount
11:43	Card payment top-up from Nationwide to Revolut (previous balance £17.90)	£2,500.00
11:44	Card payment top-up from Nationwide to Revolut	£2,000.00
11:46	Card payment top-up from Nationwide to Revolut	£1,900.00
11:47	Failed card payment top-up from Nationwide to Revolut	(£1,800.00)
11:51	Open Banking top-up from Nationwide to Revolut	£4,500.00
12:17	'Ghost authorisation' to MoneyGram from Revolut	£0
12:19	Two declined card payments to MoneyGram from Revolut	(-£4,500.99)
12:24	Three 'ghost authorisations' to MoneyGram from Revolut	£0
12:25	Declined card payment to MoneyGram from Revolut	(-£4,500.99)
12:25	Successful standing order card payment to MoneyGram from Revolut	-£4,500.99
12:28	'Ghost authorisation' to MoneyGram from Revolut	£0
12:28	Declined card payment to MoneyGram from Revolut	(-£1,896.99)
12:28	Successful standing order card payment to MoneyGram from Revolut	-£1,896.99

- Mr O explained he hung up when he realised the money had left Revolut and he couldn't see it in his 'pocket account'. Shortly after, he realised he'd been scammed and disputed the payments and raised complaints with Nationwide and Revolut. Nationwide said his losses happened from Revolut, so it wasn't responsible for the matter. And Revolut said it couldn't help as the payments were authorised, so it couldn't recover them by a chargeback claim.
- Unhappy with the responses, Mr O brought both complaints to our service. I outlined my provisional thoughts to both Nationwide and Revolut. I considered that Nationwide ought to have intervened with the last top-up to Revolut, but I noted that this money wasn't lost to the scam and was returned to the account. So I didn't think

there were losses for it to put right.

- I found that Revolut ought to have been concerned by the first successful payment, given the activity around it. Because I thought a reasonable intervention would've unravelled the scam, I found it responsible for his losses.
- Nationwide didn't reply to my findings by the date given, and Revolut didn't agree. In summary, it said it did issue warnings and blocked the merchant. And that to not hold Nationwide liable because funds didn't leave the account seems to rely on a purely hypothetical scenario.

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.

For clarity, while I've considered both complaints about Nationwide and Revolut, this decision determines Revolut's responsibility.

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 Payment Services Regulations (in this case the 2017 regulations) 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;

Should Revolut have recognised that Mr O was at risk of financial harm from fraud?

I recognise Revolut knew far less about these payments than the detail in which I've described the scam above. But having reviewed the circumstances, I think there were reasons for it to be concerned when Mr O attempted the standing order card payment to MoneyGram for £4,500.99. I've noted:

- Mr O's account had been regularly used since it opened: it was topped up by modest amounts and used for similarly modest spending, typically abroad. In contrast, on the day of the scam, he received several payments into the account for over £10,000.00 and he made a payment for £4,500.99 to a money remittance service. This was

considerably higher than his typical spending, and I can't see he'd used this merchant or a merchant of this type before.

- There was an unusual flurry of activity proceeding the first successful card payment, including several declined transactions to the merchant for the same amount in quick succession. Revolut said it sent a push notification and email to Mr O saying the payment was blocked, it had identified a possible scam, and it had blocked similar merchants – and it asked him to review. Despite Mr O not engaging with this, it allowed his subsequent 'standing order' card payment to the same merchant for the same amount.
- On the day of the scam, Mr O's Revolut account was accessed by two new web browsers.

Taking this all into account – the uncharacteristic spending, the unusual flurry of activity and the new browsers – I consider that Revolut ought to have recognised that Mr O was at risk of financial harm from fraud when he attempted the standing order card payment to MoneyGram for £4,500.99.

What did Revolut do to warn Mr O, what should it have done, and would that have prevented his losses?

As I've said above, Revolut has explained that when it declined payments to MoneyGram beforehand, it sent a push notification and email to Mr O saying the payment was blocked, it had identified a possible scam, and it had blocked similar merchants – and it asked him to review. But the records indicate that Mr O wasn't required to engage with this at the time – and indeed, he didn't until after the scam happened. This meant he didn't see any of Revolut's material warnings.

Given its ineffectiveness, I'm not satisfied this was a reasonable and proportionate response to the risk of financial harm. And in light of the particularly unusual circumstances I've described, I'd have expected Revolut to go further than written, automated warnings – for example, by directing him to its in-app chat facility to discuss the circumstances of the payment with one of its agents.

Had this have happened, I'm persuaded that it's likely the scam would've unravelled and Mr O's losses would've been prevented. I've not seen he was encouraged to mislead firms, and I think, through open and probing questions, it would've come to light that he hadn't been speaking to who he thought, and his accounts weren't at risk as the fraudsters described.

Is it fair and reasonable for Revolut to be held responsible for Mr H's loss?

I've carefully considered the role of Nationwide in this matter, and whether it bears some responsibility for this too.

Given how the Nationwide account was used, and that he'd paid his own Revolut account before, I wouldn't have expected Nationwide to have become concerned and intervened until the fourth top-up for £4,500.00. But I'm not persuaded this missed opportunity led to any of Mr O's losses from the scam.

That's because he'd a minimal balance with Revolut before the scam and over £4,500 remained in his Revolut account after the scam – which was subsequently returned to the Nationwide account. So, on the principle of 'first in, first out' – meaning the earliest funds deposited are considered the first ones withdrawn – there's been no loss from Nationwide's mistake in failing to intervene with the fourth payment. That's because the money from this payment never left his Revolut account to the fraudsters and was returned to the Nationwide account.

I've also considered whether, had Nationwide intervened with this payment, it could've prevented all the losses that followed, regardless of whether its funds were the source of those losses. But I think to hold it liable in such circumstances fails on causation – on the basis that the losses aren't reasonably foreseeable and too remote.

Revolut argued this approach relies on a purely hypothetical situation. But I'm satisfied it reflects the facts of the case. And in these circumstances, where I don't think Nationwide's error caused a loss and I'm satisfied that Revolut's error did, I think it's fair to hold Revolut responsible for these disputed transactions.

Should Mr O bear any responsibility for his losses?

Having reflected on the matter carefully, I don't think Mr O ought fairly to share the blame. I've considered how he reasonably came to believe the caller was genuine – they referred to a phishing scam he'd been a victim of and sent a message that came from Nationwide. Someone else, purporting to be Revolut, also separately called him and corroborated the situation. In these circumstances, when he was understandably worried, I don't find Mr O acted unreasonably for following their instructions and believing he was moving money to his own accounts. And when that didn't happen, I note he ended the call as I'd expect. I've also not seen he ignored any obvious warnings, given that the written warning Nationwide gave was relatively vague, and he wasn't required to engage with Revolut's warnings at the time.

Taking this all into account, I've not reduced the award to reflect any contributory negligence on Mr O's part.

My final decision

For the reasons I've explained, I uphold Mr O's complaint. Revolut Ltd must:

- Refund Mr O's losses from the disputed transactions. I understand this to be £6,397.98.
- Pay 8% simple interest per year on this amount, from the date of the transactions to the date of settlement (less any tax lawfully deductible).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 20 February 2026.

Emma Szkolar
Ombudsman