

The complaint

Miss P complains that Revolut Ltd didn't do enough to protect her from the financial harm caused by a safe account scam.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

On 10 February 2025, Miss P was contacted by someone I'll refer to as "the scammer" who claimed to be calling from Bank A. He asked her to verify some transactions before explaining that her banking apps compromised and so her account had been frozen.

She was then contacted by someone claiming to work for Revolut who said she needed to act quickly to move funds from her Revolut account to what she understood was a "safe account" held by Revolut. The scammer told Miss P to make transfers in small batches and so she made seven card payments from her Revolut account totalling £10,985.

Miss P was alerted by a family member to the fact she'd been scammed, but when she reported it Revolut, it refused to refund any of the money she'd lost, explaining that chargeback claims were denied because the transactions were authenticated via 3DS. Miss P wasn't satisfied and so she complained to this service with the assistance of a representative who said the payments were out of character and if Revolut had asked Miss P probing questions, she'd have said was contacted by someone who worked Revolut who had told her to send her funds to a safe account.

Our investigator didn't think the complaint should be upheld. She explained that a proportionate response would have been for Revolut to ask Miss P about the purpose of the payments, and to provide tailored warnings relevant to the scam type identified, and she was satisfied it had done that. She noted Miss P didn't provide accurate or truthful information in response to Revolut's questions and that this prevented it from detecting the scam. So, she didn't think it was at fault for having processed the payments.

Miss P has asked for her complaint to be reviewed by an Ombudsman. Her representative has argued that Miss P attempted twelve separate payments totalling £10,985 to new and high-risk merchants within an hour and that Revolut's interventions weren't proportionate. They've argued that it should have asked why she was making the payment, whether she personally knew who she was paying, whether she was speaking to someone who said they were calling from her bank, whether she was being asked to move money to a 'safe account' or for investment reasons, whether she'd been told her account was being compromised, and whether she'd been told to hide the real reason for this payment. And had it done so it would have uncovered the scam.

The representative had further argued that the use of 'other' wasn't dishonest and should have been treated it as a potential red flag. And that the scam quickly unravelled once Miss P spoke to a family member, so it's reasonable to conclude that Revolut could have done the same.

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've reached the same conclusion as our investigator. And for largely the same reasons. I'm sorry to hear that Miss P has been the victim of a cruel scam. I know she feels strongly about this complaint, and this will come as a disappointment to her, so I'll explain why.

I'm satisfied Miss P 'authorised' the payments for the purposes of the of the Payment Services Regulations 2017 ('the Regulations'), in force at the time. So, although she didn't intend the money to go to scammers, under the Regulations, and under the terms and conditions of her bank account, Miss P is presumed liable for the loss in the first instance.

There's no dispute that this was a scam, but although Miss P didn't intend her money to go to scammers, she did authorise the disputed payments. Revolut is expected to process payments and withdrawals that a customer authorises it to make, but where the customer has been the victim of a scam, it may sometimes be fair and reasonable for the bank to reimburse them even though they authorised the payment.

Prevention

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 in February 2025 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 (among other things). 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;
- 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;
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

I've thought about whether Revolut could have done more to prevent the scam from occurring altogether. Revolut ought to fairly and reasonably be alert to fraud and scams and these payments were part of a wider scam, so I need to consider whether it did enough when Miss P tried to make the payments. If there are unusual or suspicious payments on an account, I'd expect Revolut to intervene with a view to protecting Miss P from financial harm due to fraud.

Revolut blocked the first scam payment and so I've considered whether the intervention was proportionate to the risk presented by the payment. Miss P was making a card payment of £1,850 to a new high-risk merchant, T, and was asked to provide a payment purpose, to which she responded 'other'. She was also asked whether she'd been told which option to select, whether she'd been told her account wasn't safe, and whether she'd been told to ignore the warnings. I've considered whether an automated intervention was proportionate, and as the payment wasn't particularly high value, I'm satisfied that it was.

I've also considered the warnings that Miss P was shown and, based on the nature of the payment and the answers she gave to the questions she was asked, I'm satisfied they were appropriate. I've noted the representative's arguments that 'other' wasn't necessarily a lie and that it should have been a red flag, but considering the circumstances surrounding the payment and the responses Miss P had given, I don't think Revolut missed an opportunity to detect the scam.

In considering whether there were any further opportunities to intervene, I've noted that by the time Miss P made the payment for £2,380, the cumulative total for the day had risen to £9,130. While I accept this was unusual, there was nothing otherwise suspicious about the payment and Miss P had already been given warnings about payments to the same merchant, so I don't think it's unreasonable that it didn't intervene again at that point. And there were only two more successful payments before Miss P realised she'd been scammed, neither of which were high value. So, I don't think there were any further opportunities to stop the scam.

Recovery

I've thought about whether Revolut could have done more to recover the card payments when Miss P reported the scam to it. Chargeback is a voluntary scheme run by Visa whereby it will ultimately arbitrate on a dispute between the merchant and customer if it cannot be resolved between them after two presentments. Such arbitration is subject to the rules of the scheme — so there are limited grounds on which a chargeback can succeed.

Our role in such cases is not to second-guess Visa's arbitration decision or scheme rules, but to determine whether the regulated card issuer (i.e. Revolut acted fairly and reasonably when presenting (or choosing not to present) a chargeback on behalf of its cardholder (Miss P)).

It's only possible to make a chargeback claim to the merchant that received the disputed payments. It's most likely that the merchants would have been able to evidence they'd done what was asked of them. So, any chargeback was destined fail, therefore I'm satisfied that Revolut's decision not to raise a chargeback request against either of the cryptocurrency exchange companies was fair.

Compensation

The main cause for the upset was the scammer who persuaded Miss P to part with her funds. I haven't found any errors or delays to Revolut's investigation, so I don't think she is entitled to any compensation.

I'm sorry to hear Miss P has lost money and the effect this has had on her. But for the reasons I've explained, I don't think Revolut is to blame for this and so I can't fairly tell it to do anything further to resolve this complaint.

My final decision

For the reasons I've outlined above, 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 P to accept or reject my decision before 17 March 2026.

Carolyn Bonnell
Ombudsman