

The complaint

Miss P complains that Revolut Ltd ('Revolut') won't reimburse the funds she lost when she says she fell victim to a scam.

What happened

Miss P says that she was deceived into authorising payments to a payment processor in the belief she was transacting with a licensed and legitimate gambling company that I'll call 'D' in this decision. But D is not licensed in the UK, and its operations violate UK gambling regulations. She says the payment processor also misrepresented its legitimacy, using fake contact details. This meant that although she registered with an online self-exclusion scheme, she was able to send funds to a gambling site.

Between August 2024 and April 2025 Miss P made over 600 transactions to D amounting to £66,266. Miss P says that when she tried to withdraw funds, her account with D was blocked and no explanation was given.

Miss P believes that Revolut should reimburse her in full for all transactions made to D (via the payment processor) after the fraud reimbursement rules came into effect.

Miss P raised a scam claim with Revolut on 1 July 2025 and a complaint on 8 July. Revolut provided her with a final response letter on 11 August 2025. At that stage it said it wasn't in a position to provide a response to her claim.

Miss P raised a complaint with this service. She was unhappy that Revolut hadn't given her an answer on her claim and with the poor service provided by Revolut. In particular, Revolut failed to respond to her claim within relevant timescales without explaining why; cited GDPR when asked for a reason for the delay; provided contradictory information; gave generic updates; repeated requests for information; didn't respond to the complaint points raised; and failed to respond appropriately to her repeated disclosures of vulnerability – which led her to relapse in her alcohol recovery on 20 August 2025.

When Revolut sent its file to this service in early September 2025, it said it had provided warnings and Miss P didn't complete due diligence before making payments.

The investigator who considered this complaint didn't recommend that it be upheld. She said that the payments Miss P made didn't meet the definition of an Authorised Push Payment ('APP') scam and that Revolut acted reasonably in processing the payments.

Miss P didn't agree with the investigator's findings. She commented on points raised in the investigator's view and raised many points, which I have carefully considered. I have set out below what I consider to be the salient points:

- D operated a scam. It accepted deposits under the pretense that winnings would be paid. D is also unlicensed in the UK but is attracting UK players and used a shadow processor to disguise the nature of the payments.
- Her payments are covered by the Mandatory Reimbursement Rules.

- Revolut failed in its duty of care. She was vulnerable and made over 600 payments amounting to over £66,000 to D and Revolut failed to protect and support her.
- Revolut's delays and poor communication have had a significant impact on her, contributing to a relapse in alcohol addiction, and worsening mental health. It should pay compensation as a result.

I reviewed Miss P's complaint and issued a provisional decision not upholding it. I said that Miss P had paid the party she intended to pay and I wasn't satisfied D acted fraudulently to deceive her about the very purpose of the payments. I also noted that Miss P had used D for around eight months before she says she experienced difficulties withdrawing her funds, indicating her funds were used for the intended purpose (and that I've seen no evidence to show her account was blocked or of any reason given for this). In considering whether further intervention would have prevented Miss P's loss, I noted that when Revolut did intervene Miss P misled it about the payment purpose. And Miss P didn't make Revolut aware that she was vulnerable, so it had no reason to provide her with additional support.

Revolut agreed to pay Miss P £500 compensation. Whilst Miss P was pleased that I recognised the service Revolut provided was poor, she didn't agree with my provisional decision. Miss P provided detailed evidence which I have carefully considered. I'll summarise what I consider to be her main points here:

- At the point of payment, she was misled about who she was paying, whether the operator was legitimate and licensing information about D. She has discovered that the corporate and licensing details displayed by D were incorrect and warnings have been issued about the group of companies D is part of.
- She has provided information and reviews about D and associated companies. These reviews refer to D not being able to handle basic casino operations, crediting accounts, withdrawals or protecting at risk players.
- Evidence that D provides free spins to those that provide positive reviews.
- D was not permitted to operate in the UK.
- Miss P referred me to a published decision which she thinks involves similar circumstances where the ombudsman said the customer was the victim of a scam.
- When Revolut intervened, she cancelled both transactions. By making these checks Revolut recognised a risk but failed to monitor it.
- She intended to pay D, but her payments didn't go directly to D. Miss P says this means she didn't pay who she intended to pay.

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 be good industry practice at the time.

Where evidence is unclear or in dispute, I reach my findings on the balance of probabilities – in other words on what I consider most likely to have happened based on the evidence available and the surrounding circumstances.

Whilst I may not comment on every point made by Miss P, or on each piece of evidence provided, I'd like to reassure Miss P that I have carefully considered them all in reaching my decision. Having done so, I'm not asking Revolut to reimburse the payments to D. I

recognise how disappointing this will be for Miss P as it's clear that what has happened has had a huge impact on her – which I will cover later.

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 Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account. But, where the customer made the payment as a consequence of the actions of a fraudster, it may sometimes be fair and reasonable for the bank to reimburse the customer even though they authorised the payment.

In 2024, the PSR required the Faster Payments scheme operator (PayUK) to change the Faster Payment Rules to require the firms that operate over Faster Payments to reimburse their customers sums paid as a result of authorised push payment (APP) scams in certain circumstances. These Rules, which I'll call the Reimbursement Rules, came into force on 7 October 2024.

In this case, I've first considered whether the Reimbursement Rules, and associated guidance issued by the PSR, are relevant to the payments Miss P made.

The Reimbursement Rules set out the requirements for a payment to be covered and the features and definition of an APP scam. The Reimbursement Rules specifically define an APP scam as:

“Where a person uses a fraudulent or dishonest act or course of conduct to manipulate, deceive or persuade a Consumer into transferring funds from the Consumer's Relevant account to a Relevant account not controlled by the Consumer, where:

- *The recipient is not who the Consumer intended to pay, or*
- *The payment is not for the purpose the Consumer intended”.*

And the Rules specifically outline that private civil disputes are not covered. The term private civil dispute is defined in the Rules as:

“A dispute between a Consumer and payee which is a private matter between them for resolution in the civil courts, rather than involving criminal fraud or dishonesty.”

In its published policy statement PS23/3, the Payment Systems Regulator gave further guidance:

“2.6 Civil disputes do not meet our definition of an APP fraud as the customer has not been deceived [...] The law protects consumer rights when purchasing goods and services, including through the Consumer Rights Act.”

2.5 provides an example of when this might apply and says:

“...such as where a customer has paid a legitimate supplier for goods or services but has not received them, they are defective in some way, or the customer is otherwise dissatisfied with the supplier.”

Looking at the definition of an APP scam, I'm satisfied Miss P paid the intended party. I appreciate Miss P's comments that her statements show she paid a different company, but it's clear her payments reached D as intended and she was able to use them for a substantial period of time.

So, for Miss P to have been the victim of an APP scam, I would need to be satisfied that D was acting fraudulently or dishonestly to deceive Miss P about the very purpose for which her payment had been requested. I can't fairly reach this conclusion on the evidence available so I can't consider reimbursement under the Reimbursement Rules.

I note that Miss P used D for around eight months before she experienced any problems, which I think indicates it's more likely than not Miss P was able to use her funds for the services offered by the online casino. I have no evidence as to why Miss P was unable to

withdraw funds or why her account was blocked. On the evidence available, it's just as likely there were legitimate reasons why Miss P was unable to withdraw and her account was blocked.

I accept that D isn't authorised to offer services in the UK and that it appears to have misrepresented some details. But as the PSR has said in its July 2024 guidance about identifying APP scams and civil disputes, dishonesty is not enough to consider a payment an APP scam. In circumstances where an alleged scammer did not deceive the customer about the intended purpose of the payment and fulfilled that purpose the PSR say that could indicate a civil dispute. The intended purpose was playing/betting, and I understand Miss P used her funds for this purpose. And, as I have said before, I have no evidence of what went wrong and why D didn't pay Miss P the winnings she says she accumulated.

D is still operating as an online casino. On a well-known review site, it has a high average rating over a large number of reviews. Whilst there are some negative reviews which refer to withdrawals, most reviews are positive. In her response to my provisional decision Miss P has shown that D has offered free spins in exchange for positive reviews. I accept this is unethical and that the ratings on the review site may not be totally accurate. I have also seen from other reviews that Miss P isn't the only one who has experienced difficulty in withdrawing funds. But I have seen many reviews about ease of withdrawals. And, as I have said before, I have no evidence of what went wrong and why D didn't pay Miss P the winnings she says she accumulated.

Miss P has worked hard to contact parties in the UK and abroad to raise her concerns, but none of the evidence provided confirms she is the victim of an APP scam.

Overall, I haven't been provided with sufficient evidence which confirms Miss P's funds weren't used for the intended purpose.

I turn now to whether Revolut should have done more before processing Miss P's payments.

Here it's not in dispute that the payments were authorised, so the starting position is that Revolut isn't liable for the transactions.

As I said above, there are some situations where businesses, taking into account relevant rules, codes and best practice standards, shouldn't take their customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

Revolut also has a duty to exercise reasonable skill and care, pay due regard to the interest of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Miss P complains that Revolut ought to have identified the disputed payments as suspicious and considered her vulnerability when the payments were being made. But I can't see that Miss P ever made Revolut aware that she needed any extra support or that she struggled with addiction (until her claim was investigated). I also don't think Revolut had any reason to know that the payments Miss P was making were to a site associated with gambling. Miss P made faster payments so there was no merchant code that might have identified a cause for concern.

I can see that Revolut intervened on two occasions to ask the purpose of payments Miss P is now asking Revolut to reimburse. On both occasions, Miss P misled Revolut. For one payment, Miss P said that she was buying or renting goods and for the other that she was paying a family member or friend. Revolut provided a series of warnings. Ultimately Miss P cancelled both transactions and on one occasion clicked a box to say that this was because the process was too complicated. Miss P says this shows she heeded the warnings provided by Revolut. But I note that a few days later, Miss P continued to make payments. I think this

is what would have happened if Revolut had intervened at any other point and so Miss P's loss would not have been prevented.

Even if Revolut had gone further at any point, I'm not persuaded Miss P's further loss would have been prevented. Miss P knew she was paying a gambling related company and for most of the time she was making the transactions she was receiving the service she expected. It was only at a later stage, when she was unable to withdraw funds, that Miss P had any concerns. Revolut may have provided gambling support, but if Miss P chose to make the transactions Revolut had to follow her payment instructions.

Miss P has referred to another decision issued by this service. I don't know the circumstances of that case, nor am I being asked to reach a decision on it. Each case is judged on its own merits and what may appear to be a similar set of circumstances, may often transpire not to be the case. For example, the payments in the case referred to by Miss P weren't covered by the Reimbursement Rules.

I am sympathetic to the position Miss P now finds herself in, but, for the reasons I have explained, I'm satisfied she isn't due a refund under the Reimbursement Rules, and I can't see there are other grounds on which I could say that Revolut should, fairly and reasonably, be responsible for her loss.

I turn now to the service provided by Revolut. Having carefully considered the chat messages and other communications I can understand Miss P's frustration. I feel Revolut caused Miss P foreseeable harm in multiple respects, some of which I will highlight below:

- Failing to read Miss P's messages and respond accordingly. For example, Miss P had to tell Revolut multiple times that she wished to raise all transactions to the payment processor; was asked multiple times if Revolut could record her health condition when she had already responded; was provided the complaints procedure when Miss P had already complained, and was asked for the same information about whether she owned and controlled the recipient account multiple times (even as late as 20 August 2025).
- Revolut didn't set out in clear terms how Miss P's claim would progress, leading to multiple chat messages that went round in circles.
- Multiple Revolut agents confused the Reimbursement Rules decision with recovery.
- Miss P was repeatedly given generic answers that didn't address the points she raised, particularly in relation to timescales to give an outcome under the Reimbursement Rules. I appreciate there was some information Revolut couldn't provide, but I feel it could have provided more meaningful updates.
- Miss P made it clear she was suffering from mental health conditions and that Revolut's delays and unclear communications were exacerbating her symptoms and meant she was struggling to eat, sleep or think of anything else. Miss P was reassured that Revolut was prioritising her case, but I can't see that it did so. Ultimately Miss P returned to counselling and provided evidence to Revolut. On 26 August 2025 Miss P told Revolut in its chat, "I have a log of everything, 48 times I have been told my case has been made a priority and 25 times I have been told it "will be resolved soon"."
- Miss P disclosed to Revolut on 6 August 2025 that she was actively engaging with two UK based gambling recovery services. Revolut didn't investigate any further or discuss how it might support Miss P. And at no point during its many interactions with Miss P did Revolut refer Miss P to its wellbeing team.
- Revolut kept referring Miss P to her profile for timescales, but it wasn't always updated.

- Miss P was given incorrect answers. For example, on 13 July 2025 she was told it was the first working day for assessing her claim under the Reimbursement Rules.
- Revolut's final response letter didn't cover all aspects of Miss P's complaint. Miss P pointed this out, but no action was taken.
- Revolut failed to decide whether Miss P's claim was reimbursable within the maximum period allowed in the Reimbursement Rules of 35 days from the date the claim was first reported. It didn't clearly communicate why there was a delay.

I think Revolut caused Miss P a lot of additional stress and inconvenience at a time that was already difficult for her. As a result, Revolut should pay Miss P £500 to compensate her for the impact of its errors. It's hard to say that Revolut's actions alone caused Miss P to relapse, as it's likely that the loss of her funds also had a part to play, but I believe Revolut contributed to this.

Overall, whilst I'm extremely sorry to hear Miss P has lost funds, and of the impact of what has happened, I can't fairly require Revolut to reimburse her loss. But I think Revolut should compensate Miss P for the poor service it provided to her.

My final decision

For the reasons stated I uphold this complaint and require Revolut Ltd to pay Miss P £500 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 23 March 2026.

Jay Hadfield
Ombudsman