

The complaint

Miss M complains that Revolut Ltd (“Revolut”) didn’t do enough to protect her when she fell victim to a scam.

What happened

The details of this complaint are well known to both parties, so I won’t repeat them again here. The facts are not in dispute, so I’ll focus on giving the reasons for my 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, while I’m sorry that Miss M has been the victim of a cruel scam, I agree with the conclusions reached by the investigator for these reasons:

- It’s not in dispute that the funds were lost to a scam. It’s also not in dispute that Miss M authorised the payment from her new Revolut account, albeit not realising she was being scammed. So, the starting position – in line with the Payment Services Regulations 2017 – is that she’s liable for the transaction.
- However, there are circumstances where it might be appropriate for Revolut, as an electronic money institute (EMI), to take additional steps or make additional checks before processing a payment to help protect its customers from the possibility of financial harm from fraud. And this might be where payments are significantly unusual or uncharacteristic when compared with the normal use of the account. In such circumstances, it might be reasonable to expect Revolut to intervene and ask some questions about the intended transaction before processing.
- In this case, Miss M had only recently set up the account, and this was her first transaction. So, this payment wouldn’t have appeared unusual or uncharacteristic to Revolut, as it had no prior knowledge of the way Miss M usually transacted.
- I’ve next thought about the amount itself - £2,000. This is a substantial amount to Miss M, and forms part of a larger amount lost. But I don’t consider it to be significant enough to have stood out to Revolut to the extent it should have prompted further checks before the payment was made. And I note that it’s common for accounts to be opened with EMIs in order to make larger transfers than they would with other financial institutions.
- At the time, Revolut wouldn’t have known Miss M was making a payment towards a scam – particularly as the payment was made to a legitimate cryptocurrency provider. It’s only now, with the benefit of hindsight, that we know the payment was being made as the result of a scam. I don’t think there was anything that Revolut should have identified as being inherently suspicious at the time – and I’d add that EMIs are often used differently to traditional current accounts with a bank. So, I don’t

think Revolut should have identified the payment as suspicious enough to warrant further checks.

- I've also thought about whether Revolut could have done more to help Miss M to recover the funds once it was made aware of the scam, but I don't think it could. A chargeback wouldn't have been successful here as the payment went to a legitimate cryptocurrency provider which carried out the service it was required to. So, I don't think Revolut could reasonably have done more to recover the funds.

So, while I'm very sorry about Miss M's loss, I don't think it was caused by a failing on Revolut's part.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 31 January 2023.

Melanie Roberts
Ombudsman