

The complaint

Miss K complains that Revolut Ltd (“Revolut”) won’t refund around £6,000 she says she lost to an investment scam.

The details of this complaint are well known to both parties, so I won’t repeat everything again here. Instead, I will 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, I agree with the conclusions reached by the investigator for the following reasons.

- It isn’t in dispute that Miss K authorised the disputed payments she made from her Revolut account. The payments were requested using her legitimate security credentials provided by Revolut, and the starting position is that firms ought to follow the instructions given by their customers in order for legitimate payments to be made as instructed.
- However, I’ve considered whether Revolut should have done more to prevent Miss K from falling victim to the scam, as there are some situations in which a firm should reasonably have had a closer look at the circumstances surrounding a particular transfer. For example, if it was particularly out of character.
- It isn’t immediately clear whether both the merchants Miss K was dealing with were operating a scam at the time she made her payments, though the evidence Miss K has provided would certainly seem to suggest they were. However, even if I were to accept that both merchants were scammers, I still don’t think her payment activity would have appeared unusual enough to warrant a tailored scam warning or intervention from Revolut.
- I appreciate that overall, Miss K has lost around £6,000 which is a large amount of money. But this amount wasn’t paid in one large or ‘out of character’ transaction. It was spread over several smaller increments over the space of several months which, in my judgment, would not have appeared particularly unusual or out of character, such that they ought to have been regarded as suspicious or indicating that she might have been at risk of falling victim to a scam. I acknowledge there were occasions where more than one payment was sent to the same payee on the same day, such as the payments she made to an account in her own name on 5 April 2022. But these still only cumulatively totalled just over £1,000, so I’m not persuaded this would have been enough to warrant a tailored warning or intervention by Revolut either.
- Therefore, having considered the payments Miss K made from her Revolut account and debit card, I’m not persuaded there was anything that ought reasonably to have triggered Revolut’s fraud monitoring systems, or that would have indicated she was in the process of being scammed.

- I've also considered whether Revolut did enough to try and recover the funds after the fraud was reported. However, in terms of the debit card payments she made to the crypto platform (Uphold Europe), there wouldn't have been any successful prospect of a chargeback, as Miss K would have received the services she paid for (i.e. the purchase of cryptocurrency). In terms of the faster payments, I can see that Revolut attempted to recover the funds by reaching out to the beneficiary bank. But unfortunately, no funds remained. Therefore, I'm not persuaded it could have reasonably done anything more to recover Miss K's funds in these circumstances.

I appreciate this will likely come as a disappointment to Miss K, and I'm sorry to hear about the money she has lost. However, I'm not persuaded Revolut can be held liable for this loss.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss K to accept or reject my decision before 19 October 2023.

Jack Ferris
Ombudsman