

The complaint

Mr J complains that Revolut Ltd (“Revolut”) won’t refund the money he lost to a job scam.

What happened

The details of this complaint are well known to both parties, so I won’t repeat everything again here.

In brief, Mr J fell victim to a fake job scam. I will call the scammer ‘B’. B told Mr J that he would be paid for completing a number of tasks, but he would have to send funds to B via a crypto exchange to unlock these tasks.

In total, Mr J made over 30 payments via Debit Card and transfer to crypto exchanges totalling over £150,000 between May 2023 and July 2023.

When Mr J did not receive his “earnings” from B, he realised he had been scammed. He complained to Revolut about this matter as he believes that Revolut should have prevented the payments being made. Revolut did not uphold his complaint.

Our investigator also did not uphold this complaint. He thought that Revolut should have intervened more than it did but given that later in the scam Mr J did not give accurate answers as to what he was making the payments for, she did not think that Revolut could have uncovered or prevented the scam.

Mr J did not agree and therefore his complaint has been passed to me to issue a 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.

It isn’t in dispute that Mr J has fallen victim to a scam here, nor that he authorised the disputed payments he made to B. The payments were requested by him using his legitimate security credentials provided by Revolut, and the starting position is that Revolut 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 Mr J from falling victim to the scam. As there are some situations in which a bank should reasonably have had a closer look at the circumstances surrounding a particular transaction. For example, if it was particularly out of character for that account holder.

I think that Revolut should have intervened during the second payment that Mr J made to a crypto exchange. And given that the payment was clearly crypto related, I think an appropriate intervention should have been a written warning, setting out the common features of crypto scam. I understand Revolut didn’t do this. So, I’ve then thought about whether such a warning from Revolut could’ve prevented Mr J from sending this payment.

Having done so, I'm not persuaded it would've prevented Mr J from losing his funds. After all, he wasn't investing in cryptocurrency. He understood he was using the cryptocurrency platform to deposit funds into his account, to spend on unlocking tasks from his 'employer'. So, I'm not satisfied the kind of warning I'd have expected at this time would've stopped him from going ahead with the payments. The kind of risk Revolut would've been highlighting simply didn't relate to the situation Mr J was in.

I think that Revolut should have intervened again when payment 4 was made, as this represented £10,000 being sent in one day to a crypto exchange. I think an appropriate intervention at this point would have been for Revolut to ask questions about the payments that he was making, for example through its online chat. Revolut did not do this. So I have to consider what would have happened had this occurred.

In this instance though I don't think that this would have uncovered or prevented the scam. I say this because Mr J was clearly under the spell of the scammer. This is demonstrated by him, with the scammers help, providing misleading answers to Revolut about the payments he was making later in the scam.

I note Mr J's argument that had Revolut intervened earlier in the scam he would not have been as invested in unlocking his "earnings". So he says he may well have been completely honest with Revolut if questioned about the payments that he was making earlier on. I have carefully considered this but there is not enough for me to say that this would have been the most likely outcome.

I am also mindful that Mr J would have already sent the scammer over £10,000 by the time I think Revolut should have asked questions about the payments. So I think he would have been reasonably invested in retrieving his "earnings". I know that these scams, by their very nature, encourage its victims to make "just one more payment" to unlock their earnings. So I think, albeit on balance, that had Revolut asked questions about payment 4 Mr J, with encouragement from the scammer, would have provided Revolut with answers about the payments designed to allay any suspicions that Revolut had about them in order to unlock his "earnings". I also think that this would have happened if Revolut intervened more often throughout the scam. So I don't think in this specific instance Revolut could have prevented or uncovered the scam.

So overall I don't think that Revolut could have uncovered or stopped the scam.

Recovery

I've also thought about whether Revolut could have done more to attempt to recover the payments after Mr J reported the fraud. But Revolut are not part of the Contingent Reimbursement Model. So I don't think the transfer could have been recovered. I also don't think the funds sent by card payment could have likely been recovered via other means, such as by a chargeback, as the card payments were essentially a means to send money to his crypto exchange accounts and this is what actually happened. It was only when he sent the crypto on did the loss occur.

Despite this, I note that Revolut did attempt chargebacks and it seems like it was able to recover one payment of £5,000, although the others were unsuccessful as they were defended by the crypto exchange. I don't think it needed to do more than that.

I appreciate this will come as a disappointment to Mr J, and I'm sorry to hear he has been the victim a scam. However, I'm not persuaded that Revolut can fairly or reasonably be held liable for the losses that he said he incurred in these circumstances.

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 Mr J to accept or reject my decision before 14 March 2025.

Charlie Newton
Ombudsman