

The complaint

Miss B complains that Revolut Ltd (“Revolut”) have failed to refund the money she lost as part of a scam.

What happened

The details of this complaint are well known to both parties, so I will not repeat everything again here. Instead, I will focus on giving the reasons for my decision.

In summary though, Miss B was told by a friend via a well-known social media website about a crypto investment firm called B.

A representative of B then persuaded Miss B to send funds to a crypto exchange. The funds were then converted into crypto and sent on to B. In total Miss B made the following payments:

Transaction Number	Date	Amount	Type of payment
1	9 September 2023	£898.21	Card Payment
2	9 September 2023	£1,845.56	Declined (insufficient balance)
3	9 September 2023	£1,795.90	Card Payment

When Miss B attempted to withdraw the ‘earnings’ that she could see on B’s ‘Platform’, she was told that she had to pay additional fees. She then realised that she had been scammed.

Miss B asked Revolut to refund these payments, as she believes Revolut should have acted earlier to prevent her from being scammed or should have processed a chargeback. Revolut did not agree with this.

One of our investigators looked into this matter and he thought that Revolut did not need to intervene, given the size of the payments. They also concluded that a chargeback would not have been successful as Miss B received what she paid for, which was essentially sending money to a crypto exchange.

Miss B did not agree with this and therefore her 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.

Having done so, I agree with the conclusions reached by the investigator for the following reasons.

It isn't in dispute that Miss B authorised the payments in question she made from her Revolut account. The payments were requested by her using her 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 Miss B from falling victim to the scam, as there are some situations in which it should reasonably have had a closer look at the circumstances surrounding a particular transaction. For example, if it was particularly out of character.

In this instance, the transactions were not in isolation large enough and the pattern of spending was not, in my view, unusual enough to be indicative of a scam. So I don't think that it would have been reasonable to have expected Revolut to intervene or provide a warning about what Miss B was doing. After all Revolut cannot be expected to intervene with all payments a consumer makes. So I don't think that Revolut could have stopped or uncovered the scam.

I've also thought about whether Revolut could have done more to recover the funds after Miss B reported the fraud.

In this instance, given that Miss B made the payments via a card payment, Revolut could have attempted a chargeback. However, in this case this would not have been successful. Chargebacks are not a guaranteed way of receiving a refund and are only successful in certain circumstances. In this case, the card payments were to essentially send funds from her Revolut account to a crypto exchange and this is what happened. So, Miss B got what she paid for. It was only once the funds were sent on to B that Miss B's loss occurred. So given this, there are no reasonable grounds for Revolut to challenge the payments via a chargeback. So I don't think that there was any way for Revolut to have recovered the funds in question.

I appreciate this will likely come as a disappointment to Miss B, and I'm sorry to hear she has been the victim of a cruel scam. However, I'm not persuaded that Revolut can fairly or reasonably be held liable for her loss in these circumstances.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 8 January 2025.

Charlie Newton
Ombudsman