

The complaint

Mr J complains that Revolut Ltd (“Revolut”) have failed to refund the money he lost as part of a scam.

Mr J has a representative, but for ease of reading I will mainly just refer to Mr J.

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, Mr J was contacted by a scammer who claimed to be a representative from a bank that I will call D. The scammer said that Mr J’s account with D was compromised and he would need to send his funds from all his account to his Revolut account then on to a safe account.

Mr J transferred funds into his Revolut via two payments. The funds which amounted to £4,111 were then transferred from Mr J’s Revolut account to a Revolut account held by a different account holder.

Mr J realised he had been scammed shortly after this. Mr J asked Revolut to refund these payments as he believes Revolut should have done more to prevent him from being scammed. Revolut did not agree with this.

One of our investigators looked into this matter and he thought that Revolut provided appropriate warnings given the answers that Mr J provided when he made the payment.

Mr J did not agree with this 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.

Firstly it isn’t in dispute that Mr J authorised the disputed payments he made from his Revolut account. The payment was 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. 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, it is clear that Revolut did think that the transaction was suspicious. As it did not allow it to go through before it asked Mr J a number of questions. From the information that I have been provided with it seems, albeit on balance that the following questions were asked. The parts in bold were asked by Revolut, Mr J's responses are in italics.

- **Please answer truthfully if your being scammed, the fraudster may ask you to hide the real reasons for this payment.** Mr J selected "*I understand*"
- **Is anyone telling you how to answer these question? Is someone telling you which options to choose or telling you this is urgent.** Mr J selected "*Yes, I am being assisted through this questionnaire*" From what I have been provided with this prompted an on-screen warning saying "You could be talking to a scammer Cancel the payment, hang up the phone, or stop communicating with them. If you do decide to continue, your funds will be at risk." Mr J did not do this and opted to continue
- **Why are you making this transfer?** Mr J selected the option "*Something else*" and then selected "*other*". One of these options that Mr J did not select was moving money because my account is not safe.
- At this point Revolut have said a series of on-screen warnings were displayed which included a warning about safe account scams and a warning not to ignore the warnings.
- **Were you told which option to select?** Mr J selected "*No, I am selecting on my own accord.*" When he was being told what to select by the scammer.
- **Were you told your account is not safe?** Mr J selected "*No, I was not told my account was not safe.*" Despite being told by the scammer his account was not safe.
- **Have you been told to ignore these warnings?** If someone is telling you ignore our warnings, it's likely a scammer. Mr J selected "*No I have not been told to ignore these warnings*"

Mr J has explained that there is no proof that this is what happened at the time or that these warnings were actually given to him. I have carefully considered this, and I should explain that I have to consider what most likely happened at the time given the available evidence.

The screenshot that shows the questions that were asked are timestamped to the date and time of the transaction. So based on everything I think it is likely that the list of questions and answers provided by Revolut is what happened and that these were the warnings were given.

With this in mind I think that Revolut provided sufficient warnings given the answers that Mr J provided it. It gave Mr J a warning that he may be speaking to a scammer and gave him a warning saying to not transfer to an account he did not open himself.

I understand why Mr J gave the answers he did, given that he was on the phone with a purported representative of a different bank who was telling him his money was at risk. But given the answers that Revolut was provided I think that its intervention was sufficient.

I should also add that even had Revolut intervened further with an online chat, and I want to be clear, I don't think that it needed to given the answers it had received, I don't think that this would have uncovered or stopped the scam. Mr J was in my view likely being told what to say by the scammer and I think he would have been prompted to provide answers designed to reassure Revolut that he was not being scammed. I say this as Mr J clearly thought the scammer was legitimate and was trying to safeguard the funds in question.

I've also thought about whether Revolut could or should have done more to recover the funds after Mr J reported the fraud. But from what I can see by the time that Mr J reported the details of the fraud the funds were being transferred on by the scammer. I don't think that it could have done anything more in the circumstances. I also don't think that Revolut could have recovered the funds via any other means.

I appreciate this will likely come as a disappointment to Mr J, and I'm sorry to hear he has been the victim of a cruel scam. However, I'm not persuaded that Revolut can fairly or reasonably be held liable for his loss 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 13 September 2024.

Charlie Newton
Ombudsman