

The complaint

Miss C is unhappy with the service Revolut Ltd has provided after she was a victim of an authorised push payment (APP) scam.

What happened

As the circumstances of the complaint are well known to both parties, I won't detail them again here. Rather, I'll focus on setting out the key reasons for my decision. I hope Revolut and Miss C won't take this as a discourtesy; it's rather a reflection of the informal nature of our service.

I would like to highlight at this stage that our investigator did contact Revolut to establish if it would honour the offer it made. On 20 September 2024 Revolut responded and confirmed the offer was still available.

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 investigator's findings for broadly the same reasons. Both parties agree that Revolut ought to have done more when the payments were made. So, I have gone on to consider what Revolut has offered to do to put things right and if this is fair and reasonable.

- In summary, I agree with the investigator that the second payment of £9,840 was sufficiently uncharacteristic from Miss C's previous account activity for Revolut to have intervened in the transfer. I have also considered the transfer pattern and quick succession of the transfers and consider it to be out of character and unusual for Miss C.
- If Revolut had contacted Miss C I think it would have been proportionate for it to have asked Miss C to provide details such as; to whom the money was being paid; why; and how she had been contacted; and I think Miss C or Revolut would have quickly established that she was in the process of being scammed and subsequent payments wouldn't have been sent.
- I have also considered whether Revolut took reasonable steps to try and recover the funds. Miss C contacted Revolut on 29 July 2022 and Revolut made a request to retrieve the funds from the recipient's accounts. But unfortunately, on 1 August 2022 it was told by the beneficiary's account that the funds couldn't be retrieved. So, I am satisfied that Revolut did employ reasonable endeavours to try and recover the funds but was unfortunately unsuccessful. However, I am aware that payment made on 29 July 2022, of £8,400, was returned to Miss C.
- I have also weighed up whether Miss C should have done something to mitigate her losses. Under these circumstances, to make a deduction for contributory negligence I must be satisfied of two things; Miss C was partly at fault for these payments being

irretrievably made; and a link can be established between this fault and the financial loss she has incurred.

- There's no doubt that this was a cruel scam, and I certainly wouldn't want it to come across as me placing blame on Miss C for this. Even so, I am obliged to consider contributory negligence, and in doing so, the starting point is to think about what a reasonable person would be expected to do in the circumstances – and whether Miss C's actions fell below that.
- Having reviewed the circumstances of the scam, I think there were some red flags. And when considering the accumulation of these warning signs I think it's fair to conclude that Miss C ought reasonably to have known something was untoward.
- Firstly, when the scammer called Miss C, they explained that both an account she held with another bank which I will refer to as account A and her Revolut account had become compromised. But the scammer had explained they were calling from Revolut. So, I think it's reasonable to conclude that this should have alerted Miss C to consider how an employee of Revolut knew that account A had become compromised when they didn't work for the bank where account A was held.
- Secondly, I think Miss A ought to have queried why a member of Revolut's team would be advising her to transfer money from account A to her Revolut account, rather than another account which hadn't been compromised.
- Thirdly, the transactions were sent over a space of three days. Therefore, I think it's reasonable to conclude that Miss C ought to have considered why she wasn't told to transfer all her money as soon as possible, given she was told the account had become compromised. Also, the account she was sending the money to was in an individual's name and I do think Miss C ought to have been alarmed by this.
- I also note that due to the payments being made over three days, this gave Miss C time to reflect and consider if she should contact bank A or Revolut to check before proceeding to make further payments. Especially considering she had been told her account had been compromised on 27 July 2022 but when she went to transfer money on 28 and 29 July 2022 from what she'd been told were 'compromised accounts' there hadn't been any loss from those accounts.

So, after taking into consideration the accumulation of warning signs I conclude that a reasonable person would have started to seriously doubt the plausibility of the scammer's story. As a consequence, I think Miss C could have done more to protect herself.

In these circumstances, to put right that it didn't do more to intervene in the transfer, I think Revolut should fairly and reasonably be responsible for reimbursing a proportion of the liability from when I feel the payment ought to have triggered. I think it would be fair and reasonable for Revolut to refund Miss C from the second payment onwards minus £8,400 as this had already been recovered. However, to represent an equal share of liability, I think it's fair and reasonable for Revolut to deduct 50% for contributory negligence, as I think Miss C's actions fell below that of a reasonable person. In total, I think Revolut should pay Miss C £29,155.87, plus 8% interest from the date of the payments to the date of the refund, to compensate Miss C for being without money she should have had.

However, I note that Revolut has offered to refund Miss C £37,299. It confirmed to our service that it is willing to honour the offer and it has not withdrawn the offer since. The offer equates to more than I would have suggested it refund based on my reasoning outlined above.

Putting things right

As such, I think the offer Revolut has made is fair and reasonable and it should pay Miss C this amount if it has not already done so.

My final decision

My final decision is that I uphold this complaint, and Revolut Ltd should pay Miss C to £37,299 it has offered, if it has not already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 6 November 2024.

Jade Rowe
Ombudsman