

## The complaint

E complains that Revolut Ltd (Revolut) is refusing to refund it the amount it lost as the result of a scam.

## What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, E received a notification on the Revolut app that a payment had been attempted from his account. As E didn't recognise the payment it was declined. E then received a call that appeared to be from Revolut (X). After going through the usual security process, it was explained that someone was attempting to make payments from E's account.

E was advised to transfer money from the personal account to the business account, and from that account to a safe account. X explained that it would give E access to the new account once the transfers had been made.

The new account appeared to be in E's name which made the request even more convincing.

E made the following payments as directed by X:

<u>Date</u>	<u>Payee</u>	<u>Payment Method</u>	<u>Amount</u>
29 July 2023	Account in E's name	Transfer	£99
29 July 2023	Account in E's name	Transfer	£17,400

E then received a second call from an individual claiming to be from a bank he held another account with. E then grew suspicious and contacted Revolut. At this point the scam was uncovered.

Our Investigator considered this complaint and didn't think it should be upheld. E disagreed, so this complaint has been passed to me to decide.

## 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 here that E has been the victim of a scam and has lost money as a result. However, even when a scam has taken place, and someone has been tricked out of their money, it doesn't necessarily follow that a business such as Revolut will need to refund the money that has been lost.

*Recovering the payments E made*

E made payments into the scam via transfer. When payments are made by transfer Revolut has limited options available to it to seek recovery. Revolut did contact the operator of the receiving bank when E raised concerns but did not receive a response.

With the above in mind, I don't think Revolut had any reasonable options available to it to recover the payments E made in relation to the scam.

*Should Revolut have reasonably prevented the payments E made?*

It has been accepted that E authorised the payments that were made from his account with Revolut, albeit on X's instruction. So, the starting point here is that E is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Revolut should have been aware of the scam and intervened when E made the payments. And if it had intervened, would it have been able to prevent the scam taking place.

The first payment E made in relation to the scam was of a low value that I wouldn't expect to have triggered Revolut's fraud prevention systems.

The second payment E made in relation to the scam was of a much higher value (£17,400). Although this payment was for a high value, I can see from the statements provided by Revolut that it was not unusual for high value payments to be sent from E's account, so I don't think it's unreasonable that Revolut's fraud prevention systems weren't triggered by this payment either.

I understand the impact the scam has had on E. But as I don't think it was unreasonable that Revolut's fraud prevention systems were not triggered by the payments made in relation to the scam, I don't think Revolut missed an opportunity to prevent scam and it is not responsible for E's loss.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask E to accept or reject my decision before 28 June 2024.

Terry Woodham  
**Ombudsman**