DRN-4867011

The complaint

Miss O complains that Revolut Ltd ('Revolut') won't refund the money she lost to a 'safe account' scam.

What happened

In summary, Miss O says that, in July 2023, she was contacted by an individual claiming to be from a well-known merchant (I'll call 'A'). She was led to believe her account with A had been 'hacked' and fraudsters were attempting to use it to buy expensive items. She later discovered she'd been contacted by a scammer.

The scammer led her to believe the money in her account with her personal bank ('F') was at risk and that she needed to move it to her existing Revolut account to keep it safe. The funds were then transferred from there to external accounts that didn't belong to her.

A total of ten transfers were made in quick succession on 18 July 2023. She realised she'd been scammed when she received notification that her account with F had gone overdrawn. By that time, over £7,400 had been sent from Revolut and lost as part of the scam.

The matter was reported to Revolut soon after the last transfer. A complaint was raised and referred to our Service. Our Investigator upheld it. In brief, he thought the disputed payments had been authorised by Miss O and automated warnings were given. But given Miss O had selected 'safe account' as the payment purpose, he thought Revolut should have done more to ensure Miss O wasn't at risk of being scammed – and that, if it had, the 'spell' would have likely been broken and Miss O wouldn't have lost her money. He also thought Miss O should share responsibility for her losses, such that Revolut's refund can be reduced by 50%.

Revolut accepted that outcome. Miss O didn't. In summary, she said she had no previous experience of such scams. She was put under a complete state of fear. She was acting to keep her money safe. She thought a deduction of 50% was unfair in the circumstances.

As the matter couldn't be resolved informally, it's 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.

Having done so, I've decided to uphold it in full.

- The steps needed to make the payments were carried out on Miss O's device. She accepts she was following the scammer's instructions to move her money to other accounts, and this is consistent with the 'payment purposes' selected (safe account') and the premise of the scam. I realise she was tricked into thinking she needed to keep her money 'safe', but I'm satisfied, for the purpose of the Payment Services Regulations 2017, that the payments here can fairly and reasonably be treated as authorised.

- It’s not in dispute Revolut should have done more to protect Miss O from the risk of financial harm from fraud. I won’t go into the detail around why it should have stepped in because Revolut has already accepted (and I agree) it should have gone further than it did on the first disputed payment and Miss O wouldn’t have lost her money if it had. I also won’t go into any details as to whether I think Miss O contributed to her losses.

- This is because, before issuing this decision, I contacted Revolut informally to say that I thought it should refund *all* of Miss O’s losses. I explained that I wasn’t satisfied, on the evidence, that the recovery of her funds wouldn’t have been successful if it had acted more quickly (as I think it should have). I explained that we’d reasonably expect a firm to act ‘immediately’ to recover funds once the scam has been reported.

- In this case, according to the statements, the last scam payment was at 12:42 on 18 July 2023 and Miss O reported the scam at 13:20 that same day. I pointed out that, while little had been provided to show the steps Revolut took on recovery, its submissions suggest that recovery wasn’t attempted until the next day. I explained that, in my view, that was a significant delay. And that, without compelling evidence to show this delay didn’t have a material impact on the amount that could have been recovered, I’d likely decide Revolut needs to refund all the disputed payments (less any funds recovered) plus interest.

- In further communication, addressing Revolut’s response, I explained that, even if it might not have been immediately clear Miss O had fallen victim to a ‘safe account’ scam when she first reported it, it was important to consider that a customer won’t necessarily know the terminology to use. I’d reasonably expect a firm to ask the right questions. I explained why I was satisfied Revolut had enough on 18 July 2023 to begin recovery. And I added that Revolut’s recovery on 19 July 2023 was seemingly started on the information Miss O had provided on 18 July 2023 in any event. I again said that, without evidence that Revolut’s delay in recovery didn’t make a difference to Miss O’s losses, I’d likely decide Revolut needs to refund all the payments plus interest.

- I gave Revolut another opportunity to provide further evidence for me to consider by 28 July 2025. I said I’d issue my decision on the available information after that date. I’ve not been provided with anything new. In the circumstances, I’m still not satisfied Revolut has shown its delay in attempting recovery didn’t make a material difference to Miss O’s losses that could have been recovered – and my view on this case remains unchanged.

Putting things right

For the reasons I’ve given, I uphold this complaint and direct Revolut Ltd to:

- Refund the payments Miss O lost to the scam (less any amounts recovered).

- Pay 8% simple interest per year from the date of payments to date of settlement.

My final decision

I uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Miss O to accept or reject my decision before 26 August 2025.

Thomas Cardia
Ombudsman