

The complaint

Mr R complains that Revolut Ltd (“Revolut”) didn’t do enough to protect him when he fell victim to a scam.

What happened

Between August and September 2023, Mr R lost just over £10,000 to an investment scam over the course of three payments.

Our investigator didn’t uphold the complaint. Although he found Revolut ought to have intervened before processing the second payment which was for £8,900, he wasn’t persuaded that would have prevented Mr R’s loss. That was because, in a call with a third-party bank to transfer over the funds to Revolut to make this payment, Mr R gave inaccurate information about the reason for making the payment. And he wasn’t upfront when answering questions about the screensharing software he had installed. So, our investigator wasn’t persuaded an appropriate intervention would have prevented the loss.

Mr R’s representative asked for the matter to be referred to decision. It said that Mr R had told the third-party bank what he’d intended to use the proceeds of the investment for so had answered genuinely. And it added that Revolut had failed to monitor suspicious spend on the account.

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 taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, I agree Revolut ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

I agree with the investigator that Revolut should have found the second payment concerning and made enquiries about the payment and why it was being made. But I’m also not persuaded that would have prevented his loss.

I say this because Mr R was questioned by the third-party about the purpose of a loan he’d taken out, most of which was then being transferred to his Revolut account to be used towards the purported investment. And, in response, Mr R said he’d taken out the loan to fix his apartment. Mr R’s representative has said that he did so as this is what he intended to use the proceeds of the investment for, so was answering honestly.

But I note from the chat between Mr R and the scammer that he was advised – by someone that had seemingly become a friend – to say the payment was for home improvement purposes. *“They will ask...Are you making the transaction... and maybe about [screen sharing software]... Tell them that you move money to your other account nothing to worry and to release it... Online home improvement purchases... They may ask you because of*

your initial deposit about cryptocurrencies and so on... If someone is guiding you bla bla bla.”

The question posed by the third-party was clear and answering in the way Mr R did was misleading. Based on the conversation with the scammer and the answers Mr R then gave, I'm not persuaded that Mr R was answering in a way he believed to be accurate.

I also note, as outlined by the investigator, that Mr R gave misleading answers around whether there was screensharing software on his device. His representative has advised that this was because the software was only installed for the training element of the investment opportunity. But the adviser specifically named the software and asked if it was installed, to which he said it wasn't.

Revolut didn't intervene when it should have. The second payment was identifiably being made to cryptocurrency and I'm surprised that it doesn't seem to have issued any form of warning, particularly given this was in September 2023 when it would have been well-versed in cryptocurrency scams.

But from Mr R's interactions with the third-party bank and the scammer, I'm persuaded that he said what he needed to in order to get his payment – to an investment he trusted at the time – processed. If Revolut had given warnings or intervened, I don't think it would be fair to assume Mr R would have taken heed of the warnings or responded substantially differently. I'm persuaded that he trusted the scammer and the investment and wasn't deterred by being advised to give inaccurate answers. Had there been an appropriate intervention, I think it likely Mr R would have reverted to the scammer on how to answer and would have done so in such a way to avoid alerting Revolut to what was really happening.

Whilst Mr R has undoubtedly been the victim of a cruel scam, I can only uphold his complaint if I'm satisfied Revolut's failings made a material difference to what happened. For the reasons given, I'm not persuaded they did.

My final decision

For the reasons given, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 30 April 2025.

Melanie Roberts
Ombudsman