

## **The complaint**

Ms K complains about Revolut Ltd.

She says that Revolut didn't do enough to protect her when she became the victim of a scam and would like it to refund her the money she has lost.

## **What happened**

Ms K was looking for an opportunity to work from home and came across an advert on social media for a task-based opportunity, involving optimisation of film reviews.

Ms K would be required to purchase 'tasks' with cryptocurrency which she would complete and then receive payment on completion, and after being asked some questions about her work experience and residency status, Ms K was persuaded to take up the opportunity. Unfortunately, the opportunity was really a scam.

I understand that Ms K initially made payments from her account with B, another bank. Ms K then made one payment of £1,000 on 16 March 2024 to a crypto exchange from her account with Revolut, which was then transferred on to the scammer.

Once she realised she had been scammed, Ms K made a complaint to Revolut, but it didn't uphold her complaint. She then brought her complaint to this Service.

Our Investigator looked into things but didn't think that the complaint should be upheld.

Ms K asked for an Ombudsman to make a final decision, so the complaint has been passed to me.

## **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 not to uphold this complaint, for broadly the same reasons as our Investigator. I know this will be disappointing for Ms K, so I'll explain why.

In broad terms, the starting position at law is that banks and other payment service providers (PSP's) are expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And I have taken that into account when deciding what's fair and reasonable in this case.

Ms K authorised the payments in question here – so even though she was tricked into doing so and didn't intend for the money to end up in the hands of a scammer, she is presumed liable in the first instance.

But this isn't the end of the story. As a matter of good industry practice, Revolut should also have taken proactive steps to identify and help prevent transactions – particularly unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there is a balance to be struck: banks had (and have) obligations to be alert to fraud and scams and to act in their customers' best interests, but they can't reasonably be involved in every transaction

Taking into account the law, regulator's rules and guidance, relevant codes of practice and what I consider having been good industry practice at the time, I consider Revolut should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and preventing fraud and scams.
- Have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which banks are generally more familiar with than the average customer.
- Have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, before processing a payment, or in some cases declined to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.
- Have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

In this case, I need to decide whether Revolut acted fairly and reasonably in its dealings with Ms K when she authorised payment from her account or whether it could and should have done more before processing it.

Revolut has shown that it intervened on the payment that Ms K made – and blocked the payment until Ms K had answered some questions about it.

Revolut initially blocked the payment and showed Ms K a warning that the transaction had been declined as it was deemed a 'high scam risk'. It then presented Ms K with some options to choose from. First it asked if anyone was prompting or guiding her with making the payment (with a warning that if anyone was guiding her then they were a scammer)– and it then asked what the purpose of the payment was.

Ms K said that no one was prompting or guiding her – and selected that the payment was for a transfer to another account – although she was presented with an option to select 'to complete a task on a job hiring process'. Ms K was then presented with some educational stories about common scams (although these weren't relevant to the scam Ms K fell victim to) and asked her if she wanted to unblock the payment and accept the associated risks.

With this in mind, I think that Revolut made an appropriate and proportionate attempt to identify a possible risk – and as Ms K didn't divulge what the true payment purpose was, it

was unsuccessful in identifying the scam. And given the size of the payment, I don't think that a further human intervention was required at this time, so I don't think that Revolut missed an opportunity to uncover the scam.

Ms K has explained that she was vulnerable at the time she made the payment, and that she was suffering from postnatal depression – she says that in the aftermath of the scam she has been anxious and suffering from financial difficulty. But while I am very sorry to hear that Ms K has been unwell, and is suffering with the aftermath of the scam, I can't say that Revolut was or should have been aware that she was vulnerable or made any special adjustments for her at the time the payments were made.

I understand that Revolut attempted to recovery the funds on behalf of Ms K – but it was unsuccessful as Ms K had purchased genuine crypto currency from a legitimate seller, which had been sent to a wallet of her choice. So, there would have been nothing more it could have done here.

I am very sorry for the situation Ms K now finds herself in, I know that she has found the situation very upsetting. But the loss has been caused by the scammers, not Revolut. And I can't ask it to refund her when I don't think it has done anything wrong.

### **My final decision**

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms K to accept or reject my decision before 9 October 2024.

Claire Pugh  
**Ombudsman**