

The complaint

Miss T complains that Revolut Ltd ('Revolut') won't refund the money she lost as a result of an employment scam.

What happened

The background to this complaint is known to both parties, so I won't repeat all the details here. In summary, Miss T says:

- She was applying for work and was contacted on her messaging app by an individual (the scammer) claiming to be from a recruitment company about a job opportunity. She searched online and saw the company was legitimate. For the job itself, it was explained her role was to complete reviews to help vendors with product data and maximise sales. And that she'd earn a 'salary' and 'commission' for completing sets of 'tasks'.
- To make the scam more convincing she was given access to a 'work' platform, given some training, and added to a 'customer service' group for support if needed. As part of the process, she had to deposit her own funds to 'buy' the items she thought she was 'rating'. These deposits were paid in cryptocurrency which she bought by sending funds from her other bank ('B'), to her accounts with Revolut and another firm ('M'), and from there to crypto-exchanges. It was this cryptocurrency that was lost to the scammer.
- She received part of her 'salary' and 'commission' at first. But she was shocked when she was later told she had to deposit significantly more or she'd lose all her money. And she realised she'd been scammed when, having borrowed and paid more funds, she was again told she needed to pay much more still to access her funds.

A complaint was raised and referred to our Service. Our Investigator considered it and didn't uphold it. In summary, he thought there was enough about the activity on the account for Revolut to have questioned Miss T about her payments. But he didn't think an intervention would have brought the scam to light. On the evidence, given also the scam tactics used and the pressure Miss T was under, he thought she'd have likely reverted to the scammer for advice if payments were blocked for them to go through without issue. In reaching this view, he noted Miss T had reverted to the scammer when payments were blocked and believed she needed to follow their instructions for her to access her money.

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 reached the same conclusions as the Investigator and for broadly the same reasons.

- It's not in dispute that Miss T was scammed. It's also not in dispute that she authorised the payments from her Revolut account. So, although she didn't intend her money to go

to a scammer, under the Payment Services Regulations 2017, Miss T is presumed liable for her losses in the first instance. And as the Supreme Court reiterated in *Philipp v Barclays Bank UK PLC*, banks generally have a contractual duty to make payments in compliance with the customer's instructions.

- But that's not the end of the matter. As Revolut is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to have been good industry practice at the time, it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.
- In this case, looking at the value and destination of the first payment on the account (for £3,000 on 29 June 2023), I think Revolut ought to have intervened and shown Miss T a written warning. I'd have expected this to have been tailored to crypto-investment scams given the prevalence of these scams at the time. However, I don't think such a warning would have been enough to have resonated with Miss T given the nature of the scam she was falling victim to. And while I think Revolut should probably have intervened again and contacted Miss T (for example, through its *in-app* chat) to find out more about the circumstances surrounding a later payment, given the spending pattern that had developed, I'm still not persuaded such an intervention would have made a difference.
- This is because there's evidence to show Miss T was prepared to give incomplete information about the nature of her payments if questioned. In reply to the Investigator's outcome, she accepts she was following the scammer's instructions. I can't overlook that, in her scam report to 'B', she said she'd made the scammer aware when payments had been blocked, that the scammer kept telling her to find another way to make them, and that they told her not to reveal the use of cryptocurrency. I can also see that when 'M' did block some payments on 29 June 2023, she reverted to the scammer and was told not to talk about "*crypto or investment*". She replied "*Ok*" and went on to tell 'M' she was making "*personal transactions*" and sending money to Revolut to buy "*goods*". There was no mention of cryptocurrency being purchased as part of a job opportunity.
- I realise Miss T wouldn't have been able to hide the involvement of cryptocurrency given what Revolut would have known about the payees. I'm mindful that any cover story she was given may not have been enough to have satisfied Revolut there was no risk. And I accept I can't know for sure how things would have played out if Revolut had contacted Miss T directly about the reasons for her later payment. But, despite our requests, Miss T hasn't provided us with more information so I can better understand, for example, the extent to which she was coached by the scammer. In the circumstances, bearing in mind there's evidence to suggest Miss T would have reverted to the scammer when payments were blocked; was prepared to follow their instructions; believed she had to pay or she'd lose her money, I'm not persuaded an intervention would have been successful. I think the 'spell' was such that it's likely she'd still have returned to the scammer, and following their instructions, found a way to make the payments.
- In terms of recovery, all the card payments were made to the crypto-exchanges and it's unlikely a chargeback claim would have had any prospect of success given there's no dispute that the cryptocurrency was provided by those merchants as intended.

This isn't a decision I've made lightly. I'm sorry Miss T was the victim of a cruel scam and about the impact the whole experience has had on her. But, even though I agree with Miss T that Revolut should have done more here to protect her from the risk of fraud, I can only direct it to refund her losses if I'm satisfied any failings on its part made a material difference to what happened. On the evidence, and on balance, I'm not persuaded that they did.

My final decision

For the reasons I've given, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 18 April 2025.

Thomas Cardia
Ombudsman