

The complaint

Mr C is unhappy Revolut Ltd (“Revolut”) won’t reimburse him for the money he lost when he fell victim to a safe account scam.

What happened

The details and facts of this case are well-known to both parties, so I don’t need to repeat them at length here.

In short, Mr C says he fell victim to a safe account scam. On 8 September 2023, he says he received a call from one of his current account providers’ fraud team that I will call D, when it was in fact a scammer that I will call B.

Mr C says the fraudster knew his personal details, including his name, account number and telephone number. The fraudster most likely knew the details as Mr C had unknowingly fallen victim to a ‘phishing’ scam text around a week before.

Mr C explained he was informed that his account had been compromised and he needed to send his funds to his Revolut account and then on from there in order to protect his funds.

Mr C made around 10 payments to three crypto exchanges the funds were then sent to D. Mr C made the following payments;

Transaction Number	Date	Amount	Type of payment
1	8 September 2023	£1,288.53	Card Payment
2	8 September 2023	£515.5	Card Payment
3	8 September 2023	£34.36	Card Payment
4	8 September 2023	£680	Card Payment
5	8 September 2023	£700	Card Payment
6	8 September 2023	£1,800	Card Payment
7	8 September 2023	£1,400	Card Payment
8	8 September 2023	£380	Card Payment
9	8 September 2023	£521.34	Card Payment
10	8 September 2023	£352.66	Card Payment

Mr C realised he was the victim of a scam shortly after. Mr C then reported the matter to Revolut to see if it could help recover his funds. Revolut declined to refund the payments.

I issued a provisional decision on 26 November 2024 in which I said the following;

"I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The starting position is that Revolut ought to follow the instructions given by its customers, in order for legitimate payments to be made as instructed.

However, I've considered whether Revolut should have done more to prevent Mr C from falling victim to the scam, as there are some situations in which it should reasonably have had a closer look at the circumstances surrounding a particular transaction. For example, if it was particularly out of character for that account holder.

I think the first 4 payments were not large enough and a pattern had not yet formed that it should have prompted an intervention from Revolut.

I do think though that Revolut should have intervened during payment 5 as this was the fifth payment in a short period of time and I think by this point a pattern was emerging that was indicative of a scam. Taking everything into consideration I think that an appropriate intervention should have been an online tailored scam warning. So I have considered whether such a warning would have stopped the scam. In this instance though, Mr C has confirmed that it was the scammer making the payments and from what Mr C has described he did not really understand what the scammer was doing.

The scammer was doing the transactions and would have selected the payment reasons. So I find it unlikely that the scammer would have selected the payment reason that would have led to a relevant safe account warning. Moreover, Mr C would likely not have seen any warning or have been given time to read the warnings that should have been provided. And of course, the scammer wouldn't have heeded any warning either. Even if Revolut did provide a relevant warning which I don't think it likely could have given the scammer was in control of the payments I don't think this would have stopped the scam in my opinion. This is demonstrated by one of his other current account providers issuing a warning during the scam in its online chat with Mr C that stated;

"Fraudsters will pretend to be a bank, the police, or HMRC and they will tell you to move large amounts of money immediately. Legitimate organisations will never ask this of you."

Mr C or the scammer responded on the same chat asking about the blocked payment so either he saw the warning and did not heed it or the scammer prevented him from seeing it. So if this had happened with Revolut I think the same thing would have happened

So overall, I think that Revolut should have intervened and provided warnings. But I don't think that this would have stopped the scam. It follows then that I currently don't think that Revolut should refund any of these transactions.

I have considered whether the payments in question could have been recovered by other means. But given the method of the payments used I don't think that the funds could be recovered.

I appreciate this will likely come as a disappointment to Mr C, and I'm sorry to hear he has been the victim of a cruel scam. However, I'm currently not persuaded Revolut can fairly or reasonably be held liable – even partially - for his loss.”

Mr C responded to my provisional decision but did not add any further points. Revolut did not respond by the deadline provided.

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 reviewed everything, as neither party has provided any new information, I see no reason to reach a different outcome to the one I reached in my provisional decision.

So, in summary, I think that Revolut should have intervened during transaction 5 and provided a warning tailored to the reasons provided for this transaction. But I don't think this would have likely stopped the scam given that the scammer was controlling the transactions and would either have not provided the true purpose of the transaction or would have ignored any warning.

I do want to expand on one point as I have also thought about whether a larger intervention such as questions being asked via an online chat would have stopped the scam. I have thought about this as it could be argued that as the payments continued then Revolut should possibly have intervened again. I have carefully considered this but given that the scammer was doing the transactions and procedures and all that Mr C said he was doing was accepting popup notifications I think that the scammer would have in all likelihood answered any questions from Revolut on Mr C's behalf in a manner to allay any suspicions that Revolut might have had about the payments. So, I don't think any further interventions would have stopped the scam.

Finally, I do not think that Revolut could have recovered the funds via other means as the card payments were essentially a means to send funds to the crypto exchanges in question and this is what occurred. So, Mr C got what he paid for so there is no way of challenging those transactions.

Again, I would like to stress that I am sorry that Mr C has been the victim of what appears to be a cruel and sophisticated scam. But in this instance, I don't think that Revolut could have uncovered or prevented the scam for the reasons set out above.

My final decision

Because of the reasons given above and in my provisional decision, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 7 January 2025.

Charlie Newton
Ombudsman