

The complaint

Mr W complains Revolut Ltd didn't do enough to protect him when he fell victim to a safe account scam.

What happened

Mr W has an account with Revolut and a business account with a bank who I'll refer to as "B" throughout the rest of this decision. He's been a customer of Revolut since 2018. He has accounts elsewhere too.

Mr W says he received a call at 18:38 on 28 March 2023 from someone claiming to be from B's fraud team. He says that they told him there had been an attempt to make payments from his business account at B and that he needed to take action immediately. Mr W says that he was transferred to the agent's manager, and they told him that B had an agreement with Revolut in cases like this and the safest thing for him to do was to transfer his funds to his existing account with Revolut and then into a new Revolut safe account. Mr W says he was sent the safe account's details via SMS coming from Revolut's number and that he made the transfers. He says other details he was given checked out. He says he transferred money into his Revolut account and attempted to make two payments to the safe account. The first payment – for £37,000 – went through. The second payment – for £17,500 – was blocked and declined. Mr W says he realised he'd been scammed when he received a call from B – who Revolut had contacted – to say that he was being scammed.

Mr W contacted Revolut saying that it acted too late and that it shouldn't have allowed the first payment to go through. He asked for a refund. Revolut looked into Mr W's claim and said that its systems had detected that the first payment was to a new beneficiary and risky and it had warned him that he was at risk of being scammed but he'd chosen to go ahead. And that it had blocked his second payment and then locked his account and, amongst other things, spoken to B about its concerns that he was being scammed. Revolut also said that it had tried to recover his money, but no funds were left. In the circumstances, Revolut said it couldn't refund him and that it had done nothing wrong. Mr W was unhappy with Revolut's response and ultimately complained to us.

One of our investigators looked into Mr W's complaint and having done so didn't recommend that it be upheld as they didn't think Revolut could have prevented the payments. Mr W disagreed saying that Revolut should have questioned him more and recognised what was going on. He said he was scared and vulnerable at the time as he believed his whole business was at risk. He asked for his complaint to be referred to an ombudsman for a decision. His complaint was, as a result, 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.

I accept that Mr W has been the victim of a well organised safe account scam. I can also see why he believed what the scammers were telling him – he checked various pieces of

information he'd been given, and it all appeared to be genuine. I also agree with our investigator that the activity on Mr W's account with Revolut was highly unusual. He received over £37,000 into his account in one payment and almost immediately tried to transfer the money to a new beneficiary having used his account for small payments for several years. I can, however, see that Revolut's systems not only picked up that the payment was going to a new beneficiary but also picked up that the payment was suspicious and that Revolut gave appropriate warnings and asked questions to make sure Mr W wasn't being scammed. Importantly, I can see that over the two payments Revolut warned Mr W multiple times of the dangers of "safe account scams" and checked to make sure he wasn't falling victim to one. Mr W didn't answer Revolut's questions truthfully on multiple occasions – unfortunately. It's clear, having seen the correspondence between Mr W and the scammers, that this is because he was "under the scammers' spell". In this case, I can also see that Mr W remained under their spell despite the fact that the whole scam dragged on for days given the blocks etc that Revolut put in place.

In short, for the reasons I've just given, I agree with our investigator that Revolut couldn't fairly or reasonably have prevented Mr W from making the £37,000 payment he did. So, it wouldn't be fair to ask it to do more. I also agree that Revolut took the steps we'd expect a bank to take in order to try and recover Mr W's money. Had it not been for Revolut contacting B, and B contacting Mr W to say that he was being scammed, Mr W could have lost more money. I appreciate that this will be little consolation to Mr W.

My final decision

My final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 15 November 2024.

Nicolas Atkinson
Ombudsman