

The complaint

Mrs C complains about the actions of Revolut Ltd when she lost money to a scam.

Mrs C is being represented by a claims management company but, for ease, I'll only refer to Mrs C.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

In November 2023 Mrs C's husband came across an investment advert from a merchant on social media. He reached out and followed a link to a website. He also conducted his own research into the merchant but didn't find anything untoward. He was then introduced to a representative who persuaded him to download screen sharing software and start the investment with a small payment of £200 that he made from another account. He also took out a loan to fund the investment. After Mr C's Revolut account was restricted, Mrs C decided to open an account with Revolut to make payments to the merchant so they could continue to trade. In total, the following payments were made from her Revolut account;

Date	Type of transaction	Amount
08 December 2023	Top up from Mr C's account with E	£12,000
11 December 2023	Top up from Mr C's account with E	£2,500
11 December 2023	Transfer to third-party company (Declined)	£9,500
11 December 2023	Transfer to third-party company	£9,500
11 December 2023	Transfer to third-party (Declined)	£4,928
12 December 2023	Transfer to third-party company	£5,000
13 December 2023	Top up	£15,610
13 December 2023	Transfer to third-party	£10,000
13 December 2023	Transfer to third-party	£5,600
02 January 2024	Refund	£200
	Total paid	£30,100
	Refunds	£200
	Total Loss	£29,900

After taking out a loan to fund a withdrawal fee and still not receiving any profits from the merchant, Mrs C realised she had been scammed. Mrs C contacted Revolut to make a claim but was told Revolut wouldn't be offering her a refund. So, she brought her complaint to the Financial Ombudsman.

Our investigator didn't think the complaint should be upheld. She said that Revolut spoke to Mrs C on the in-app chat when the £12,000 was deposited to her account but Revolut was provided with inaccurate information for the reason for the deposit. Our investigator said that the payments made from Mrs C's account were then stopped and further questions asked about why they were being made. However, Revolut was provided with inaccurate answers and couldn't have reasonably been expected to do anything more here.

Mrs C disagreed and asked for an Ombudsman's review. She said that Revolut should've done more to investigate why she was making the payment and researched the company she was paying. If it had it would've seen a discrepancy in the products the company was registered as selling and the reason Revolut was provided for the payment. Which in turn would've more than likely uncovered the scam.

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 conclusion as our investigator. And for largely the same reasons. I'm sorry to hear that Mrs C has been the victim of a cruel scam. I know she feels strongly about this complaint, and this will come as a disappointment to her, so I'll explain why.

I've read and considered the whole file. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome.

Where the evidence is incomplete, inconclusive, or contradictory (as it is here), I have to make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

Mrs C has said to this service that it was Mr C making the payments on her phone. But I'm satisfied she had given him permission to make the payments at the time and they were therefore authorised. I note in the submission to the Financial Ombudsman that it has been mentioned that both Mrs C and Mr C were involved in the investment and the 'trading' after Revolut restricted Mr C's account. And that both Mr and Mrs C continued to 'trade' under the scammer's guidance and they both wanted to withdraw the profits they were promised. I've also seen that Mrs C provided a selfie to Revolut on 08 December 2023 when the account was opened and a further selfie on 12 and 13 December 2012 when being asked questions by Revolut about the payments on those days. So, I'm satisfied Mrs C was more likely than not involved in this scam and subsequently authorised the payments.

So, in total Mrs C authorised payments of around £30,100. I accept that these were authorised payments even though Mrs C was the victim of a scam. So, although it wasn't her intention to pay money to the scammers, under the Payment Services Regulations 2017 (PSRs) and the terms of her account, Mrs C is presumed liable for the loss in the first instance.

However, taking into account the law, regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Revolut to take additional steps or make additional checks before processing a payment in order to help protect customers from the possibility of financial harm from fraud.

Revolut's first obligation is to follow the instructions that Mrs C provides. But if those instructions are sufficiently unusual or uncharacteristic for the account, I'd expect Revolut to intervene and to ask their customer more about the intended transaction before processing it. I'd also expect Revolut to provide suitable warnings about common scams to help their customers make an informed decision as to whether to continue with the payment. There

might also be cases where it's appropriate for Revolut to refuse to follow the instruction if there are good grounds to believe it is being made as a result of a fraud or scam.

Overall, I'm not persuaded Revolut could reasonably have been expected to do more to stop this scam. Mrs C didn't provide honest answers to Revolut's questions when she was asked why she was depositing money into the account – instead she said this money was for online shopping, travelling and expenses. When Revolut stopped the four payments that were sent for further questioning, Mrs C failed to provide accurate answers for the purpose of the payments. She said she was buying goods from online retailers (which matches one of the reasons she gave for adding money to the account) when asked why she was sending £9,500, that she had met the seller and the price of the goods wasn't unrealistic.

In relation to the £5,000 payment, she said she was paying for '*digital services*' and that she wasn't being guided in anyway. Mrs C continued to provide inaccurate payment reasons for the two transfers to individuals for £10,000 and £5,600. Here, instead of telling Revolut the reason for the payments was for an investment (a payment option she was provided with) she told Revolut she was paying family members before not giving truthful answers to Revolut's follow questions such as whether she had been asked to make the payment urgently. And she told Revolut the request for the £5,600 had been made face-to-face. Because of the answers Mrs C gave, Revolut reasonably released the payments.

Mrs C has said that Revolut should've researched the company she was sending the money to. However, I don't find that very persuasive here. And given that Mrs C had been providing inaccurate answers and was involved in the investment with Mr C – who in turn also provided inaccurate answers to Revolut on his personal account – I don't think Revolut researching the company would've more likely than not made a difference to her decision to send the payments.

Overall, having thought very carefully about this, I'm not persuaded Revolut could have deterred Mrs C from making the payments and that she was determined to send the money to the scammers in order to withdraw the profits they had been promised.

I know the outcome I've reached will be disappointing for Mrs C, and I am very sorry she fell victim to such a cruel scam. However, I have to remember that it's not Revolut who has stolen this money – it's a fraudster. And I can only hold Revolut liable for the losses Mrs C has suffered if I can be persuaded from the evidence that its errors had a material impact on the losses she suffered. But I don't think that's the case here. The evidence compels me to believe that Mrs C was likely so convinced by the fraudster, that she was not accepting of risks brought to her attention and would still have wanted to proceed. So, I don't find Revolut is liable for her loss.

Recovery

I've seen that the money Mrs C sent to the scammers was removed from the beneficiary bank accounts before the scam was raised to Revolut with the exception of £200 that remained from the £5,000 payment Mrs C made on 12 December 2023. As a result, there wasn't anything further Revolut could've done to recover Mrs C's money here.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 26 May 2025.

Mark Dobson
Ombudsman