

The complaint

Miss M complains that Revolut Ltd didn't do enough to protect her funds when she fell victim to a job scam.

What happened

The details of this complaint are well known to both parties, so I will not repeat them again here. The facts are not in dispute so I will focus on giving the reasons for my decision.

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.

In broad terms, the starting position at law is that an Electronic Money Institution ("EMI") such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account.

But, taking into account relevant law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable in September 2023 that Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including 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 firms 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, or provided additional warnings, before processing a payment – (as in practice Revolut sometimes does including in relation to card payments);
- 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.

While I think Revolut ought to have recognised that Miss M was at heightened risk of financial harm from fraud when making some of the payments in this case, I don't think any proportionate intervention by Revolut would have prevented Miss M's loss. I'll explain why.

When making payments as part of this scam from other accounts, Miss M did speak to her bank and another EMI. Both times she didn't give the full picture of what was going on.

When we asked, Miss M said that she had no intention of misleading these parties. She said she gave the reasons she did as she thought it would make the processing of the payments faster. But I'm not persuaded, considering the answers given, that this can be entirely true.

Miss M told the EMI that *"I'd like my transaction to be done since I already provided the documents that you required and I cannot pay my bills late and be in debt with my uni or my landlord."* But she wasn't intending to pay bills or her landlord with these funds, so this answer is entirely misleading.

And to her bank she said *"Actually, I'm not sending any money. I'm just buying crypto to have an stock when I really start to invest. I'm still collecting data from where is better to invest"*. But she was moving the funds to the cryptocurrency account to immediately use for the job scam. So again, she did actively mislead her bank, giving the impression the funds would safely remain in her own cryptocurrency account. And acting on this information, she was then given a cryptocurrency scam warning by her bank.

I recognise Revolut failed to appropriately intervene in this case. So what I then have to decide is what I consider most likely would have happened, if Revolut had done what it should have. Considering how Miss M acted when other firms did intervene, I'm not persuaded she would've been honest with Revolut. I'm not commenting on the overall quality of the other firm's interventions here. The relevance of these interactions relates to Miss M's actions and how she responded to the firms when questioned about what she was doing.

Accepting Miss M's testimony, that she said what she did to speed up the processing of the payments, I see no reason she wouldn't have felt the same urgency to have these transactions processed too. It's clear from the scam chat she felt it was urgent to pay the funds. Her representative has argued a better intervention would've uncovered the scam. But I can't see how, when the evidence strongly suggests Miss M wouldn't have given accurate information for Revolut to act on.

While Revolut ought to have done more to find out why Miss M was sending the funds, it is entitled to trust and rely on what she says – as long as it doesn't contradict other information it holds. And as this was a job scam, Miss M would've needed to share the cryptocurrency was ultimately being used for a job opportunity for Revolut to appropriately warn her. And I'm not persuaded she'd have shared this information. And I don't consider a cryptocurrency warning wouldn't have been effective, just as it wasn't when her bank gave some of this key information to Miss M.

We don't appear to have the full scam chat in this case, but from what I can see Miss M is sharing screenshots of what's going on with her payments with the scammer, including sharing the messages when her bank blocks her account. And so it seems likely she'd have done this again too. I don't know if she was coached (as the chat suggests Miss M was told her agent would guide her with what to do) or if she chose not to be honest because she was just personally concerned sharing the truth would delay matters. But ultimately, Miss M hasn't persuaded me that she would've acted any differently with Revolut to the other firms. So, even if it had proportionally intervened and asked questions of Miss M to better warn her, I don't consider that it could've unravelled this scam and prevented her losses here.

In terms of recovery, as Miss M sent the funds to her own cryptocurrency wallets and used the funds for the scam, there was also no option to recover the funds.

My final decision

For the reasons set out above, I don't uphold Miss M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 22 April 2025.

Amy Osborne
Ombudsman