

## Complaint

Miss A is unhappy that Revolut Ltd didn't refund her after she fell victim to a job scam.

## Background

In May 2023, Miss A fell victim to a scam. She was approached by someone on a messaging app who offered her a job opportunity. She was told that her role was in search engine optimisation. She would be asked to complete tasks on a client's online platform.

This would simulate demand for that client's products and lead to better marketability for them through online advertising. She was told that, for every group of tasks she completed, she could earn commission. However, she needed to fund his account by making deposits.

She used her Revolut account to make the following payments:

Payment	Payee	Date	Value
1	A	9 May 2023	£51
2	B	10 May 2023	£140.16
3	B	10 May 2023	£37
4	B	10 May 2023	£444
5	C	11 May 2023	£1,602
6	D	17 May 2023	£3,800
7	E	17 May 2023	£1,068
8	F	19 May 2023	£3,800
9	F	19 May 2023	£2,100

These were peer-to-peer cryptocurrency purchases. In other words, Miss A made these payments to private individuals. Those individuals then agreed to transfer cryptocurrency to an e-wallet under Miss A's control. She then, at the request of the scammer, transferred that cryptocurrency on to another e-wallet that was under the scammer's control.

Once she realised she'd fallen victim to a scam, she notified Revolut. It didn't agree to refund her. It said that it had provided a warning during the payment authorisation process but Miss A went on to make the payments anyway.

Miss A wasn't happy with that response and so she referred her complaint to this service. It was looked at by an Investigator who didn't uphold it. The Investigator noted that Revolut was expected to be on the lookout for account activity that might have indicated a fraud risk. In this instance, he wasn't persuaded Revolut would've had reasonable grounds for suspecting fraud risk given the pattern of account activity and the value of the payments.

Miss A disagreed with the Investigator's opinion. Her professional representatives said that Revolut ought to have been concerned at the value of payments given that they were being made to purchase cryptocurrency. It also argued that, as each of the payments included a fee, Revolut ought to have recognised that it was likely they were peer-to-peer cryptocurrency purchases. Since Miss A disagreed with the Investigator, the case has been passed to me to consider.

## Findings

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

I issued my provisional decision on 1 October 2024. I wrote:

*In broad terms, the starting position at law is that a firm is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations (in this case, the 2017 regulations) and the terms and conditions of the customer's account. However, that isn't the end of the story. Good industry practice required that Revolut be on the lookout for account activity or payments that were unusual or out of character to the extent that they might indicate a fraud risk. On spotting such a payment, I'd expect it to take steps to warn its customer about the risk of proceeding. The nature and extent of that warning should be proportionate to the risk the payment presents and strike a balance between trying to protect customers and not unduly inconveniencing them.*

*Miss A's representatives argued that Revolut should have raised concerns when she requested payment 9. I agree. By processing payment 9, Revolut enabled Miss A to transfer over £5,000 to a new payee within a brief timeframe - there were less than ten minutes between the transactions. Revolut needed to take action regarding that payment. In my opinion, a reasonable response would have been to inquire about the payment's purpose, which could have led to a warning tailored to the most common scam risks. This did not occur, and it should have.*

*However, this alone does not convince me that Revolut should refund Miss A. I need to be convinced that Revolut are the cause of her losses. To determine this, I must consider what might have happened if Revolut had acted differently—specifically, if it had addressed the fraud risk as I believe it should have, would that have averted Miss A's subsequent losses? Revolut should have inquired about the purpose of the payment. Had it done so, Miss A might have mentioned that she was making payments to buy cryptocurrency. It's probable that Revolut would have then warned her about investment scams related to cryptocurrency.*

*At that time, this would have been the more relevant fraud risk, rather than a job scam. While job scams have become more prevalent, I am not convinced they were common enough at this time for Revolut to have integrated them into its fraud prevention measures, such as by asking specific questions during the payment process to identify such scams and preparing an automated warning.*

*Regrettably, I believe that even if Revolut had issued a warning in the manner I would have expected, it likely would not have had an impact on Miss A. She was not being targeted by an investment scam, so a warning about that risk would not have dissuaded her from completing these final payments.*

*I don't say any of this to downplay or diminish the fact that Miss A has fallen victim to a cruel and cynical scam. I have a great deal of sympathy for her and the position she's found herself in. However, I'm not persuaded Revolut needs to refund her.*

Revolut did not respond to the provisional decision. However, Miss A's representatives provided a response. They argued that Revolut should have been aware of the risk of a job scam, given its prevalence as one of the more common scam types. They contended that Revolut should have identified this risk when processing Miss A's payments. In support of

this, they referenced several decisions issued by this service, which they say take a contrasting approach to the one outlined in my provisional decision.

I have carefully considered these new arguments but remain unconvinced that a change in my conclusion would be justified. As outlined in my provisional decision, I believe that a proportionate response from Revolut would have been to ask Miss A for the purpose of the payment, and provide her with a warning tailored to the type of scam most likely associated with the purpose she selected.

I do not believe the risk in this instance was sufficiently clear to require a more in-depth, human intervention, where Revolut would have needed to engage in an open-ended discussion with Miss A about the payments. Had it done so, and if Miss A had indicated she was making payments related to a job opportunity, I would have expected a Revolut employee to recognise the fraud risk, even if they weren't aware of this particular scam type.

In this case, I found that a less interventionist approach was appropriate. While Miss A's representatives are correct that job scams have become increasingly common, I recognise that it reasonably takes some time for a firm to recognise and then design fraud prevention measures around emerging threats. I don't consider that by May 2023 the risk of job scams had been sufficiently prevalent for it to have been a failing on the part of Revolut not to have, as part of good industry practice at that time, specifically tailored its fraud prevention systems to account for the prevalence of job scams by offering a corresponding payment option and warning specific to that scam type.

While I know that my decision will be greatly disappointing to Miss A, I'm not persuaded that Revolut needs to refund her losses here.

### **Final decision**

For the reasons I've explained above, I don't uphold this complaint.

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

James Kimmitt  
**Ombudsman**