

The complaint

Miss L has complained that Revolut Ltd (“Revolut”) failed to protect her from a “safe account” impersonation scam.

What happened

The background of this complaint is already known to both parties, so I won’t repeat all of it here. But I’ll summarise the key points and then focus on explaining the reason for my decision.

Miss L fell victim to a sophisticated scam that began with a text message claiming her phone bill was overdue. The message warned that her phone line would be suspended unless she followed the link provided. Miss L says she clicked the link and entered her credit card details. Later she contacted her phone provider who confirmed they hadn’t sent the text, so Miss L immediately contacted her credit card provider to cancel her card.

Following the text message Miss L received a call from someone who referenced the earlier fraudulent incident. The caller claimed there were still unauthorised transactions linked to her account that had not been intercepted. They asked Miss L if she had other cards or accounts that might be vulnerable and she mentioned her additional credit card, as well as her three bank accounts.

The caller assured Miss L that they were completing their report and would transfer her case to her high street bank to help her further. Miss L received another call soon after, allegedly from the high street bank, letting her know that her account had been compromised by hackers. The caller instructed her to move her money to safeguard it and promised that this would also help trace and catch the hackers.

In line with the instructions she was given Miss L transferred funds between her accounts, including Revolut. The caller claimed that these transfers were necessary to protect her money and monitor the hackers’ activity. They also requested Miss L to approve a series of push notifications and payments, explaining that this was part of the fraud prevention process. Miss L says that as she believed what she was told, she complied with the scammer’s instructions.

When asked to check her Revolut account, Miss L told the scammer that she hadn’t used it in years and that the app was outdated. The caller persuaded her to reinstall the app and check the account. After some difficulty, Miss L managed to log in and confirmed that her balance was £0. The caller then continued the same process with her other accounts, eventually instructing her to transfer money from another of her accounts to Revolut.

Miss L initially believed the transfers were harmless since the money remained within her own accounts. But she says the scammer became increasingly insistent, repeatedly asking her to approve additional payments.

The situation escalated when the caller directed Miss L to add a new payee to her high street bank account and transfer £23,000 to them. Fortunately, that bank blocked the

transaction. but by this point, Miss L had already transferred significant funds between her accounts, including Revolut, under the false belief that these actions were protecting her money.

Miss L made five debit card payments from her Revolut account to a cryptocurrency trading platform, as a result of approving the push notifications she received on her mobile phone.

The transactions related to this scam are as follows:

	Date	Amount	Transaction type
1	14/08/2024	£2,000	Debit card to cryptocurrency platform
2	14/08/2024	£1,913.30	Debit card to cryptocurrency platform
3	14/08/2024	£1,812.60	Debit card to cryptocurrency platform
4	14/08/2024	£1,258.75	Debit card to cryptocurrency platform
5	14/08/2024	£1,309.10	Debit card to cryptocurrency platform
6	30/08/2024	£1,309.10+	Goodwill payment from Revolut
7	30/08/2024	£9.83+	Goodwill payment from Revolut
8	30/08/2024	£487.20+	Goodwill payment from Revolut
9	30/08/2024	£1,258.75+	Goodwill payment from Revolut
	Outstanding loss	£5,228.87	

When Miss L realised she'd been scammed she reported it to Revolut. Revolut escalated the matter to its in-house chargeback team but concluded it didn't have the right to raise chargebacks for the transactions, as Miss L had authorised them. It did however make four goodwill payments to Miss L, totalling £3,064.88.

Miss L made a complaint to Revolut. Revolut didn't uphold the complaint as it said Miss L had authorised all of the transactions using the 3D Secure (or "3DS") system, which introduces an additional layer of security to prevent unauthorised payments from being made. But Miss L didn't agree with Revolut's response, as she says although she authorised the transactions, it's because she was being coerced into doing so.

Miss L remained unhappy so she referred the complaint to this service.

Our investigator considered everything and didn't think the complaint should be upheld. He explained that although he'd ordinarily have recommended Revolut refund some of the payments Miss L made, Revolut had already paid more than that to Miss L as a gesture of goodwill. So he didn't think Revolut needed to do anything else to put things right.

As Miss L didn't accept the investigator's opinion, the case has been passed to me to make a 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.

I'm sorry to disappoint Miss L but having considered everything I'm afraid I'm not upholding her complaint, broadly for the same reasons as our investigator, which I've set out below.

In broad terms, the starting position is that a firm is expected to process payments and withdrawals that its customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And in this case it's not in question whether Miss L authorised these payments from leaving her account. It's

accepted by all parties that Miss L made the debit card transactions, and Revolut processed the payments in line with Miss L's instructions, and in line with the terms and conditions of her account.

But that doesn't always mean that the business should follow every instruction without asking further questions or intervening to ensure requests coming from their customers are firstly genuine, and secondly won't result in harm.

I've closely reviewed the activity on Miss L's account and I can see that prior to this scam she hadn't used her Revolut account for over two years. So Revolut didn't have much information to use in order to build a picture of how Miss L typically used her account. With that in mind, I'd have expected it to rely on the information it held more widely about fraud and scams in order to monitor its customers' accounts and protect them from financial harm.

I don't think Revolut ought to have been concerned about the first two payments Miss L made. Although with hindsight the first payment was the highest of the five payments Miss L made, at the point Miss L made it, it wasn't so significant that Revolut ought to have been suspicious about it. This is also the case for the second payment – its value wasn't so significant that Revolut ought to have detected it might've been fraudulent, nor was there a pattern at that point that might've suggested Miss L was being scammed.

By the third payment, although similar in size to the previous two, I think Revolut ought to have been on alert that there might've been something else going on. That's to say, that Miss L might've been falling victim to a scam. I say this because the third payment was made within five minutes of the first and would've taken the cumulative value of the three payments to £5,725.90. This, plus the fact they were being made to an identifiable cryptocurrency platform, means Revolut should've intervened at that point.

Bearing in mind the fact that these payments took place in 2024, and it was clear they were being sent to a cryptocurrency platform, I would've expected Revolut to intervene and understand more about them, with a view to issuing a tailored written warning, tackling some of the key features relevant to the circumstances.

I haven't seen anything to suggest that Miss L wouldn't have been honest with Revolut had it asked her about the purpose of the payments or gathered some further information about her circumstances, nor that she wouldn't have been receptive to any warnings it may've given her. And had Revolut done that I'm persuaded the scam would've been uncovered and Miss L's loss would've been prevented from that point.

With the above in mind I agree that the starting point is that Revolut is responsible for the loss Miss L incurred by making payments three to five, and that it should refund them.

Is Miss L responsible for any of her losses?

I fully accept that Miss L has fallen victim to a complicated scam which involved several different lines of communication, and different banks. I can see how this would've been confusing, especially in the heat of the moment when she was pressured to make payments to avoid a potential loss.

But I must also consider whether Miss L acted reasonably in all of the circumstances – or whether it would be fair for her to take responsibility for some of the loss. And having considered everything, I think it would. I say this because:

Miss L was called from several different numbers, which she's provided evidence of. I'd have expected her to – as a minimum – do some checks to verify the number belonged to the

company the caller said they were calling from. An online search of the numbers Miss L has provided returns results related to scams.

The conversations with the scammers appear to have happened in several different phone calls over the space of around an hour. So Miss L would've had an opportunity between the calls to do some checks, or to contact the banks in question using their officially published contact details. I'm also persuaded that the calls happening in multiple stages would've given Miss L a chance to stop and think, and not to answer further calls.

With all of this in mind, although I'm persuaded Revolut ought to have done more to intervene from the third payment onwards, I think it's fair for the responsibility for Miss L's losses to be shared equally between her and Revolut.

I'm mindful that Revolut has already paid £3,064.88 to Miss L. I'd have directed Revolut to pay 50% of the total of payments three to five (£2,190.23), plus interest, but Revolut had already paid Miss L more than that by the time she referred her complaint to this service. So Revolut doesn't need to pay Miss L anything further.

I should note that I've seen Miss L made some other large payments on the same day as these scam payments, to a different merchant, which Revolut blocked until it verified with Miss L that she did in fact intend to make them. As Miss L chose to unblock that merchant, and as she hasn't complained about those transactions, I haven't considered them as part of this decision.

I'm very sorry that Miss L has fallen victim to this scam and I do understand that my decision will be disappointing. But for the reasons I've set out above, I don't require Revolut to do anything else to put things right, as it has already refunded more than I'd have told it to.

My final decision

I don't uphold Miss L's complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 9 January 2025.

Sam Wade
Ombudsman