

The complaint

Mr B complains that Revolut Ltd didn't do enough to protect him from the financial harm caused by a safe account scam, or to help him recover the money once he'd reported the scam to it.

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.

On 24 October 2023, Mr B was expecting a delivery when he received a text message stating that the courier was unable to deliver the parcel. He followed the hyperlink in the message and paid a redelivery fee, realising he'd been scammed when he received the parcel.

A few days later, Mr B received a call from someone I'll refer to as "the scammer" who claimed to work for Bank H. The scammer said the call would be recorded for security, training and monitoring purposes, and in the background, he could hear what sounded like a busy call centre. The scammer knew Mr B's name, account details, and contact telephone number, and asked him to confirm his date of birth. He also had information about his recent transactions and the balance in the account.

The scammer told Mr B that following the earlier scam, his bank account had been compromised, and fraudsters were trying to take out a loan in his name. They told him to transfer his funds to a 'safe account', instructing him to move the funds to his existing Revolut account, followed by two payments of £12,400 and £12,500 from Revolut to a safe account in his name with Bank H.

Mr B realised he'd been scammed when he lost contact with the scammer. He complained to Revolut with the assistance of a representative who two high value payments to a new payee in quick succession should have prompted it to contact him and ask what the payment was for, whether anyone had contacted him, where he got the account details, whether he'd verified the caller was genuine, whether he'd been told to lie, and whether he was being pressured to transfer the money. They said that had it done so, Mr B would have explained that he was moving funds to a safe account under instructions from Bank H and Revolut would have recognised he was falling victim to a scam.

But Revolut refused to refund any of the money he'd lost. It said its systems detected Mr B was sending funds to a new beneficiary and he was shown a warning which he acknowledged before being shown educational screens which he acknowledged before proceeding with the transfer. It said the transactions wasn't unusual and it wasn't at fault for processing the transfer.

Mr B wasn't satisfied and so he complained to this service with the assistance of his representative who said the scammer had threatened Mr B and his family and that Revolut ought to have realised he was acting under duress. They said it should have engaged Mr B in a live chat to understand what was happening and had it done so, his loss could have

been prevented. They said Mr B told Revolut the scammer had said he was calling from Revolut, and he told Bank H the Revolut account wasn't his own because he was distressed as scammer had said they would 'go after his mother next'.

Responding to the complaint, Revolut said Mr B created the account on 9 July 2018. It said he'd authorised the payments and it had completed a Confirmation of Payee (CoP) check, and the details didn't match. He was also shown strong warnings alerting him that scammers can impersonate others and asked to provide a payment purpose, to which he responded that he was paying a family member or friend and hadn't received an unexpected phone call. He was then shown further information on family/close friend scams and provided with the option to cancel the transaction.

Revolut said Mr B didn't do sufficient due diligence and he should have tried to contact Bank H through official communication channels. He should also have known that it normally communicates through the app and doesn't call its customers. It further argued that Mr B had said the scammer had threatened his mother, but this wasn't consistent with the story given in his complaint.

Our investigator didn't think the complaint should be upheld. She was satisfied that Revolut intervened when Mr B made the first payment noting the account had been open since 2018 and he hadn't previously made payments of similar value.

She noted Revolut told Mr B the name didn't match with the account details and presented a review transfer screen asking a series of questions before warning him to be wary of scammers asking him to act quickly and urgently, and to double check account details. She commented that Mr B didn't select the correct payment purpose and so Revolut didn't have the opportunity to ask relevant questions and provide relevant warnings.

She explained that she thought Revolut should have engaged Mr B in a live chat before processing the payment, but she didn't think this would have made any difference noting he'd given inconsistent accounts when he reported the scam and would likely have lied about the nature of the transactions because he thought his family was at risk.

Finally, our investigator noted that Revolut had recovered £40.30 from the receiving bank but she thought should have contacted the receiving bank sooner. However, even if it had acted more promptly, she didn't think it would've made a difference because most of the funds had been used before Mr B reported the scam. And she didn't think he was entitled to any compensation.

Mr B has asked for his complaint to be reviewed by an ombudsman. His representative has argued that Revolut's intervention wasn't proportionate given Mr B transferred £12,500 and £12,400 within 8 minutes and the account was recently funded with payments of £15,000 and £9,900. They've said it should have asked him what the money going to be used for, whether it was planned, whether he'd had a call or been approached by someone claiming he'd been a victim of fraud, or offered an investment, and whether he'd been contacted by someone claiming to be police, bank staff, or a trader. Had it done so Mr B would have been honest, and it would have detected 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 Mr B has been the victim of a cruel scam. I know he

feels strongly about this complaint, and this will come as a disappointment to him, so I'll explain why.

I'm satisfied Mr B 'authorised' the payments for the purposes of the of the Payment Services Regulations 2017 ('the Regulations'), in force at the time. So, although he didn't intend the money to go to scammers, under the Regulations, and under the terms and conditions of his bank account, Mr B is presumed liable for the loss in the first instance.

There's no dispute that this was a scam, but although Mr B didn't intend his money to go to scammers, he did authorise the disputed payments. Revolut is expected to process payments and withdrawals that a customer authorises it to make, but where the customer has been the victim of a scam, it may sometimes be fair and reasonable for the bank to reimburse them even though they authorised the payment.

Prevention

I've thought about whether Revolut could have done more to prevent the scam from occurring altogether. It ought to fairly and reasonably be alert to fraud and scams and these payments were part of a wider scam, so I need to consider whether it ought to have intervened to warn Mr B when he tried to make the payments. If there are unusual or suspicious payments on an account, I'd expect Revolut to intervene with a view to protecting Mr B from financial harm due to fraud.

The first payment flagged as suspicious on Revolut's systems and so I've considered whether the intervention was proportionate to the risk presented by the payment. The first payment was £12,400 to a new payee and there wasn't a history of similar spending on the account, so Revolut was right to intervene. However, I agree with our investigator that Revolut ought to have engaged Mr B in alive chat and asked some probing questions about the payment.

Considering Mr B told Revolut he was paying a family member or friend back for something they purchased on his behalf and that he hadn't been asked for help unexpectedly, and he gave inconsistent accounts to Revolut and Bank H when he reported the scam, I don't think he'd have disclosed that he was trying to move funds to a safe account having been contacted by someone claiming to be calling from Bank H (or Revolut). His representative has explained that he responded in the way he did because he believed his family was under threat and while I accept this is a plausible explanation for having mislead the banks, it tells me he was determined to make the payments to the extent that he was willing to mislead Revolut about the purpose of the payments with a view to ensuring the payments would be processed, even though he knew the payment details didn't match and he was given strong warnings before the first payment was processed. So, I don't think more probing questions via a live chat would have made a difference to the outcome because Revolut wouldn't have detected the scam or been in a position to provide more relevant warnings.

Recovery

I don't think there was a realistic prospect of a successful recovery because most of the funds had been removed from the account by the time Mr B reported the scam.

Compensation

The main cause for the upset was the scammer who persuaded Mr B to part with his funds. I haven't found any errors or delays to Revolut's investigation, so I don't think he is entitled to any compensation.

I'm sorry to hear Mr B has lost money and the effect this has had on him. But for the reasons I've explained, I don't think Revolut is to blame for this and so I can't fairly tell it to do anything further to resolve this complaint.

My final decision

For the reasons I've outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 12 August 2025.

Carolyn Bonnell
Ombudsman