

The complaint

Ms B has complained that Revolut Ltd (“Revolut”) failed to protect her from falling victim to a “safe account” scam.

What happened

Ms B’s complaint arises from a scam she fell victim to in February 2024, whereby she received a phone call from an individual (“the scammer”) claiming to be from a high street bank’s fraud team. The scammer told Ms B that there had been suspicious activity on her account, which Ms B immediately checked online, and saw two transactions of £4,500 each that hadn’t authorised. Ms B says that as she panicked and couldn’t access a branch as it was closed as it was weekend, she spoke to the caller who reassured her that he was investigating the issue.

During the call, Ms B received a text message from the bank containing a one-time passcode (OTP) and a fraud prevention message. The scammer explained that this was part of securing her account and advised her to keep the call open while he “resolved” the matter. He further assured her that a new bank card and login details would be sent shortly. The caller then suggested that, given her bank account details were compromised, other accounts she held might also be at risk. He then asked Ms B about her use of online banking and suggested she move funds to a secure “safe holding” account to protect her money.

Ms B disclosed that she held other accounts, including one with Revolut. Following further reassurances from the caller—who cited her recent transactions and FSCS protection, Ms B felt compelled to follow his instructions.

Ms B transferred almost £24,000 from accounts held with other banks to her Revolut account, on instruction of the scammer. After the funds arrived in her Revolut account, Ms B says the scammer convinced her that they were at risk and instructed her to transfer them to seven different “safe holding” accounts, which they provided the bank details for.

Ms B expressed concerns about this process, but the caller reassured her that the transactions were necessary to safeguard her funds. She also says the scammer set up a Revolut account in her name without her knowledge and transferred £2,100 to it before redirecting the funds.

Although Ms B acknowledges that she received warnings from Revolut flagging the transactions as potentially fraudulent, she says she was coached by the scammer to ignore the warnings and provide specific answers to Revolut’s questions, such as claiming the transfers were related to wedding expenses. By the end of the fraudulent activity, Ms B had made a total of 41 transactions, leaving her Revolut account with only £356 in it.

For the sake of space I will not list all of the transactions Ms B made here. The most noteworthy were three payments of £100 to three different recipients on 10 February 2024, with each one of these payments followed by another larger payment, with two of £4,900 and one of £4,700, to the same recipient as the initial £100. Three more of the payments

were made on 10 February 2024, and the remaining 32 payments were made on 11 February 2024 and were for either £100 or £200 each.

The following morning, Ms B realised she'd been scammed when she didn't receive the confirmation email or return of the funds she was promised by the scammer. She contacted the bank the initial call allegedly originated from, which confirmed that her account had been compromised and fraudulent transactions had occurred. That bank reimbursed Ms B with £9,945 of her losses.

Ms B then reported the scam to Revolut, which she says included submitting evidence of the fraudulent transactions. Revolut told Ms B her it would attempt to recover the funds from the recipients' accounts, but it was ultimately only able to recover £0.70, and it concluded that it couldn't reimburse the remaining funds.

Ms B made a complaint to Revolut in which she said it failed to provide adequate protection for her to stop her from falling victim to a scam such as this one. Revolut didn't uphold the complaint and in its response it said that its security systems, including fraud alerts and prevention measures, had been in place during the transactions. It said that Ms B had acknowledged the warnings and proceeded with the transactions despite the alerts.

Ms B didn't agree with Revolut's decision as she says the scammer manipulated her into bypassing the warnings that Revolut gave. She says it failed to provide adequate protection or direct intervention to prevent the loss.

Our investigator considered everything and didn't think the complaint should be upheld. She explained that she thought Revolut's interventions were proportionate, but Ms B hadn't been truthful when Revolut had asked her about the payments she was making. So she didn't think Revolut should be held responsible for failing to prevent the scam from taking place.

As Ms B 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 Ms B 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 Ms B authorised these payments from leaving her account. It's accepted by all parties that Ms B gave the instructions to Revolut and Revolut made the payments in line with those instructions, and in line with the terms and conditions of Ms B's 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.

Having reviewed the activity on Ms B's account, it's fair to say that the pattern of activity wasn't entirely normal for Ms B. although Ms B used her Revolut account, transactions in the preceding six months were generally day-to-day expenses, with one transaction of just over £300, and very few exceeding £100. However when the scam started Mrs B attempted to

make payments totalling over £15,000 in a single day, with three large payments of almost £5,000 each.

With this in mind I think Revolut ought to have been alerted to the fact that Ms B might've been at risk of being scammed; the pattern of payments was out-of-character for her, as was the value of the individual transactions, and the total overall value of payments being credited to, and leaving, Ms B's account.

I think Revolut ought to have intervened before Ms B made the second payment of £4,900 on 10 February 2024. By this point Ms B had already sent £5,000 to another recipient (as two payments), and £100 to the recipient who she was attempting to make this payment to. This pattern is typical of scams, whereby a scammer will encourage a victim to make a small payment first, to encourage it the payee to appear 'trusted', before making a much larger payment. As the payment of £4,900 would've meant Ms B had transferred £10,000 in one day at that point, I'm persuaded this was sufficiently suspicious that Revolut ought to have stepped in to understand more about what was going on.

Revolut identified both of the £4,900 payments and the £4,700 payment that Ms B made as potentially fraudulent and stopped them temporarily to ask additional questions before allowing them to proceed. It firstly asked automated questions about the payments' purpose, to which Ms B said she was paying back a family member for something they'd purchased on her behalf. She confirmed she wasn't being assisted to answer the questions, and that she'd been given the bank details of the recipient face-to-face. Following this Ms B was shown a series of warning screens, warning her that she could be being scammed. The screens also urged her to check in with the person she was paying, and to be wary of urgency. Each time after this series of warnings Ms B was directed to chat with one of Revolut's agents for further questioning.

When asked about the purpose of the transactions, Ms B responded with explanations that appeared plausible. She stated that the payments were for a friend's holiday, wedding decorations, and reimbursing a family member for a holiday. She further claimed that she had obtained the payment details face-to-face from the recipients and assured Revolut that no one had asked her to lie or guided her in answering its questions. She was given the warning in Revolut's in-app chat "Scammers may impersonate Revolut, another bank or the police and pressure you to make a payment urgently, telling you to ignore our alerts. Never ignore these alerts, even if someone tells you to. Please stop and let us know if you are concerned for your account safety", but Ms B didn't make any comments in relation to the content of this warning.

Revolut didn't simply accept Ms B's answers to its questions at face value. It asked robust and probing follow-up questions to delve deeper into the circumstances of the payments. Unfortunately, Ms B provided additional false information in response to these inquiries, further reinforcing the impression that the transactions were genuine. The consistent responses led Revolut to believe that Ms B was in control of the transactions and that they were legitimate, which allowed the payments to proceed.

Also on 10 February 2024 Ms B attempted to make a payment of £6,200 to an account in her own name. Prior to processing the payment Revolut again direct Ms B to its in-app chat, where it asked Ms B to confirm that she wasn't being guided on how to answer its questions, which she confirmed. Revolut then said the following:

"I can see that you mentioned that you're moving money to one of your other accounts. Fraudsters may contact you telling you your account is unsafe and you need to move

money fast. If someone created this account for you and assisted you to create the account using remote access software then stop. Could you please confirm that you have NOT received contact asking you to move your money?"

Ms B told Revolut she wasn't being asked to move money, and that she'd had the account she was transferring money to for several months. Revolut was still investigating this payment when Ms B contacted it the next morning to report the scam, so the payment was cancelled.

Bearing in mind the warning Revolut gave Ms B here closely resembled the scam she was falling victim to, and the scam still wasn't uncovered, I'm persuaded that Revolut wouldn't have been able to "break the spell", no matter how it had intervened.

Although I fully empathise with Ms B's position and acknowledge the immense pressure and manipulation she was under from the fraudster, it's clear that the scammer coached her on how to answer Revolut's questions, which contributed significantly to Ms B's loss here. But it's also important to recognise that Revolut took reasonable and thorough steps to investigate and prevent the fraud from taking place. Despite its efforts, it was misled by the information provided by Ms B, albeit under the influence of the scammer.

Given these circumstances, I'm satisfied that Revolut isn't responsible for Ms B's losses in this case. Revolut acted appropriately and proportionately, by flagging the transactions, conducting robust inquiries, and attempting to protect Ms B's funds. The unfortunate outcome resulted from the scammer's manipulation and the false information provided, rather than a failure on Revolut's part to fulfil its responsibilities.

Although I note Revolut didn't intervene in any of the further payments Ms B made, and I think it should have, given the pattern and frequency of them, I don't think that had an adverse impact on the overall outcome in this case. No matter how many times – or how well – Revolut had intervened, I'm persuaded it wouldn't have been able to uncover and prevent the scam. Ms B was clearly under the very persuasive influence of the scammer, and I'm satisfied that regardless what Revolut had done, Ms B would have been just as insistent on making the payments, and that's not a result of a failure on Revolut's part.

Recovery of the funds

I've been provided with evidence that Revolut contacted the receiving banks in an attempt to recover any funds remaining in the recipients' accounts as soon as it was made aware of the scam, on the same day as the final payment. Unfortunately it was advised that only £0.70 remained in one of the accounts, and all other funds had been withdrawn shortly after they were received.

Whilst this is disappointing, there's nothing more I'd have expected Revolut to do here. Funds obtained fraudulently in ways like this are often withdrawn within hours, if not sooner, and although I appreciate Ms B reported the scam on the same day, as soon as she was aware of it, the scammers had withdrawn the funds even more quickly than that.

I'd like to reassure Ms B that I've carefully reviewed her complaint, including her response to our investigator's opinion. And whilst I might not have covered every point individually, I believe my decision addressed the key issues she's raised. I know she feels very strongly that Revolut should've been more suspicious of the answers she gave it, but it remains that Revolut is required to follow its customers instructions. In this case Revolut followed up and robustly clarified with Ms B before doing so, but she unfortunately didn't give it accurate information, which prevented it from taking further action to stop the payments from being made.

I'm very sorry that Ms B 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 hold Revolut responsible for that.

My final decision

I don't uphold Ms B's complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 27 January 2025.

Sam Wade
Ombudsman