

The complaint

Mrs C complains about the actions of Revolut Ltd when she lost money to a scam.

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 2 May 2024 Mrs C received a call from someone purporting to be from Revolut. The person explained that Mrs C's account had been compromised so she needed to move her money to a 'safe account'. Mrs C was provided new account details to send the payments to and she then proceeded to make the following payments;

Date	Time	Type of transaction	Amount
2 May 2024	10:45am	Exchanged USD to GBP	£27,938.21
2 May 2024	10:51am	Faster Payment	£16,195
2 May 2024	10:53am	Faster Payment	£4,750
2 May 2024	10:54am	Faster Payment	£1,100
		Total loss	£22,045

After Mrs C made the final payment towards the scam the person hung up the phone. At that point Mrs C knew she had been scammed. So, she contacted Revolut to raise a claim.

Revolut considered the claim but said it hadn't done anything wrong so it wouldn't offer Mrs C a refund. Unhappy with that response, Mrs C brought her complaint to the Financial Ombudsman.

Our investigator felt the complaint should be upheld. She said that Revolut should've intervened further on the first payment here and if it had Mrs C would've likely explained via the in-app chat what she was doing. At that point Revolut would've been able to explain that it wasn't speaking with her on the phone at the time and the scam would've been uncovered. Mrs C agreed with the Investigator.

Revolut disagreed and asked for an Ombudsman review. It said that the Confirmation of Payee (COP) that was provided at the time of the first payment would've come from the beneficiary bank and those details not matching isn't automatically indicative of fraud. And that Mrs C failed to behave reasonably and carry out further due diligence on the fact the sort code of the 'safe account' wasn't a Revolut account and the details on the beneficiary account didn't match.

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 minded to uphold this complaint.

I've read and considered the whole file. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome.

It is common ground that Mrs C authorised the scam payments of around £22,045. I accept that these were authorised payments even though Mrs C was the victim of a scam. So, although it wasn't her intention to pay money to the scammers, under the Payment Services Regulations 2017 (PSRs) and the terms of her account, Mrs C is presumed liable for the loss in the first instance.

However, taking into account the law, regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Revolut to take additional steps or make additional checks before processing a payment in order to help protect customers from the possibility of financial harm from fraud.

Revolut's first obligation is to follow the instructions that Mrs C provides. But if those instructions are sufficiently unusual or uncharacteristic for the account, I'd expect Revolut to intervene and to ask their customer more about the intended transaction before processing it. I'd also expect Revolut to provide suitable warnings about common scams to help their customers make an informed decision as to whether to continue with the payment. There might also be cases where it's appropriate for Revolut to refuse to follow the instruction if there are good grounds to believe it is being made because of fraud or a scam.

So, the starting point here is whether the instructions given by Mrs C to Revolut were unusual in relation to her typical account activity. So, I've reviewed the account statements for the twelve months prior to the scam payments, which I consider gives a good sample size to assess what was typical activity for the account. The account was typically well managed and maintained a credit balance. I note Mrs C had made payments previously ranging from hundreds of pounds up to £1,463 in April 2024 and £1,989 in January 2024. I note a higher payment was made in January 2024 to an established payee for £10,000 but no similar payments as the first payment she made towards this scam.

The £16,195 payment was made to a new payee on the account. I'm satisfied that this was an unusual payment for Mrs C to make. I think Revolut should've considered it suspicious not just because of the size of the payment, but also because it was funded by a very large transfer from Mrs C's savings. And only a few minutes later the payment was made to a new beneficiary.

As a result, I think Revolut should have stopped that payment and invited Mrs C to the in-app chat to ask her a few questions about why she was making it. At that point, if Revolut had asked a few probing questions, I'm satisfied Mrs C would've explained that she was speaking to whom she thought was a colleague at Revolut, who had told her to move her money because her account had been compromised. I think the staff member at Revolut would've seen that the COP details didn't match and would've been able to explain to Mrs C that this was more likely than not a scam and the payment would've been cancelled. At that point, I'm satisfied the scam would've been uncovered.

As a result, I believe Revolut should refund the money Mrs C lost to the scam.

Did Mrs C act reasonably?

I've thought about whether Mrs C should bear some responsibility for her loss. But I don't think it would be fair for her to do so. This was a sophisticated scam where the scammers spoke to Mrs C on the phone and knew certain details about her. They explained that she

had placed her details the previous day on a message with a link from a delivery service asking her to pay for a redelivery. At the time she was expecting a delivery, so she didn't think this was unusual to complete those details. Mrs C said they followed very similar procedures when asking her security questions as another one of her banks did a few weeks before and even sent her a text message from 'Revolut' to confirm their identity. So, when she was told by the scammer that her account had been compromised this in turn increased her sense of panic that her money wasn't safe.

Revolut has mentioned that Mrs C shouldn't have ignored the pop up in the app that explained the COP didn't match and that the sort code wasn't that of a Revolut account. As the Investigator has explained, Mrs C has said that she did question the scammer at the time about the details not matching and given the pressure she was under, was told that because it was a new account the details hadn't matched yet. She also was told by the scammer that the reason she had to make three payments was because this was a system generated amount. So, although she authorised the payments, and agreed to proceed despite being told the details didn't match, as a lay-person I can understand why Mrs C believed the scammer in the circumstances. She was under pressure to move her money quickly and because of the details the scammer had provided she trusted that they worked for Revolut and therefore accepted the reason she was given for the difference in the details.

So, I don't think it would be fair to say Mrs C was grossly negligent or acted unreasonably and I think Revolut should refund the full amount she lost.

Recovery

I note Revolut attempted to recover Mrs C's money from the beneficiary bank when it was made aware of the scam. But the beneficiary bank never responded. So, I'm satisfied Revolut did what it should when Mrs C reported the scam.

My final decision

My final decision is that I uphold this complaint. Revolut Ltd must do the following;

- Refund £22,045
- Add 8% simple interest to this amount from the date of payments to the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 7 July 2025.

Mark Dobson
Ombudsman