

The complaint

Mrs S, through a representative, complains that Revolut Ltd (“Revolut”) didn’t do enough to protect her when she fell victim to a scam.

What happened

The details of this complaint are well known to both parties, so I won’t repeat them again in full here. Instead, I’ll summarise what happened and focus on giving the reasons for my provisional decision.

Mrs S fell victim to a scam. She’d been led to believe she’d got a job which she’d be paid for once she’d completed a set of tasks. These tasks involved making a series of payments to boost sales for a company. Mrs S lost just under £3,900 across three days in June 2023.

After realising she’d been scammed, Mrs S contacted Revolut. It said the payments weren’t valid for chargebacks. And it didn’t think it was required to intervene with the payments due to the amounts involved. So, it didn’t reimburse the lost funds.

Unhappy with this, Mrs S brought her complaint to our Service. She said she’d made all 10 payments without any intervention, the payments weren’t stopped and she wasn’t presented with any advice or education which could have informed her decision-making.

Our investigator partially upheld this complaint. He felt that the last payment, of £1,384.84, warranted a human intervention. This was due to the amount paid in one day, the fact it was the fifth payment made that day and that the payment followed several declined transactions. And he concluded that an intervention would have unravelled the scam. But he felt that liability should be shared equally for this payment as Mrs S didn’t carry out sufficient research, there was no contract of employment, and she was paying her ‘employer’ which should have raised major concerns.

Mrs S agreed but Revolut didn’t. So the complaint was passed to me to decide.

I issued a provisional decision in October 2024. In this, I said:

It isn’t in dispute that Mrs S authorised the transactions in question. She is therefore presumed liable for the loss in the first instance. However, Revolut is aware, taking longstanding regulatory expectations and requirements into account, and what I consider to be good industry practice at the time, that it should have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

The first nine payments ranged from £29.90 to £787.22. I don’t consider these amounts to be high enough to have appeared suspicious to Revolut. I say this even where several payments were made in one day as the total (up to that point) was around £1,983 which I still don’t consider to be significant enough to warrant an intervention. And the payments were in line with the purposes given for the account, which included crypto, transfers, scheduling payments, and foreign exchange.

The last payment, payment 10, follows six declined payments, at least five of which were intended to be payments made as part of the scam. But these payments weren't stopped due to Revolut's concerns. Instead, they declined because there were insufficient funds in the account. And, each time, Revolut said it sent a text message to Mrs S to notify her of the reason for the declined transaction. In this particular case, I don't think that the lack of funds in the account was a sufficient reason to expect intervention from Revolut.

The final payment – of £1,384.95 – would have brought payments that day to over £3,000. And these payments were identifiably being sent to cryptocurrency. So, I think a tailored written warning relevant to cryptocurrency investment scams should have been provided, and it wasn't. I don't think the circumstances, including the values involved and the frequency of the payments warranted a human intervention.

Had an appropriate tailored written warning been provided, I'm not persuaded it would have made a difference to Mrs S's decision to proceed with the payment. I say this because she didn't think she was investing in cryptocurrency. She thought she was making payments as part of her employment. I therefore don't think the appropriate warning would have resonated with her, so I think she would have continued and made that final payment.

I turn next to the recovery of funds. I'm not persuaded that there were any reasonable prospects of Revolut successfully recovering the funds given that the money was used to purchase cryptocurrency from legitimate providers.

In summary, while I'm sorry Mrs S has been the victim of a cruel scam, I'm currently not minded to conclude that any failings on Revolut's part would lead me to uphold this complaint.

Mrs S responded to say she didn't agree, but she didn't provide any reasons for this. Revolut didn't respond. So, I'm now in a position to issue my final 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.

Having done so, as neither party has provided any new evidence or considerations, I see no reason to depart from my provisional findings.

I maintain that, while I'm sorry Mrs S has been the victim of a scam, I don't hold Revolut responsible for her losses.

My final decision

For the reasons given above, I don't uphold Mrs S's complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs S to accept or reject my decision before 3 December 2024.

Melanie Roberts
Ombudsman