

The complaint

Miss R complains that Revolut Ltd failed to protect her from a scam.

Miss R is being represented by a firm I will refer to as “S”.

What happened

In May 2024, Miss R was contacted via an instant messaging app from someone offering her a remote working opportunity. The job involved completing a set of tasks rating an app – which she would earn commission for. Some tasks however required her to top up her account with crypto, which Miss R was assured by the scammer that it, along with her commission, could later be withdrawn.

Miss R made a payment of £2,400 on 11 May 2024 and it was only when she couldn't withdraw any money and the scammer failed to respond that she realised she had been scammed.

Revolut said that they launched a request to retrieve the funds from the beneficiary account within 24 hours of being notified of the scam.

They also said that as the payment was being made to someone new, they provided a message asking Miss R if she knew the person she was paying. They said they also put the transfer on hold, and asked Miss R further questions. Having answered the questions, Miss R was able to proceed with the transfer.

S brought Miss R's complaint to our service on her behalf. Our Investigator looked into everything but didn't uphold it. He found that Revolut did intervene and ask Miss R whether she knew the payee, but the answer given was not accurate. Our investigator also found that Revolut asked Miss R for the purpose of the payment, but again the answer was inaccurate meaning she was able to proceed with the transfer.

S disagreed with our Investigator's view so the complaint has been passed to me.

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 agree with the outcome reached by the Investigator. I know this will come as a disappointment to Miss R, so I want to explain why I've reached the decision I have.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focused on what I think is the heart of the matter. If there's something I've not mentioned, it isn't because I've ignored it, I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

In broad terms, the starting position in law is that an Electronic Money Institution (“EMI”) such as Revolut is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer’s account.

But, taking into account relevant law, regulators’ rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable in May 2024 that Revolut should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that their customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally more familiar with than the average customer;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of their products, including the contractual terms, enabled them to do so;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment – (as in practice Revolut sometimes does including in relation to card payments);
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

In this case, I can see that Revolut recognised that Miss R might be at risk of financial harm from fraud when making the payment, especially as it was being made to a crypto platform. However, I don’t think any further proportionate intervention would have prevented the loss. I say this because I can see that Miss R was provided with warnings but gave Revolut inaccurate information in order to process the transfer.

Revolut have said that their fraud system was triggered and from the evidence provided, I can see that they provided a warning to Miss R saying *“Do you know and trust this payee? If you’re unsure, don’t pay them, as we may not be able to help you get your money back. Remember, fraudsters can impersonate others, and we’ll never ask you to make a payment”*.

Revolut also asked for the purpose of the payment and Miss R said it was to pay a family member or a friend, which wasn’t accurate. This was followed by some questions and warnings tailored to the reason given. Miss R went through and completed the transfer within the app.

Following this, the information provided by Revolut shows that Miss R would have been presented with a risk agreement where she acknowledged that she was informed about the risks of carrying out the transaction.

While I appreciate Miss R was following what she thought was a legitimate job process, the information she provided Revolut prevented them from identifying that she was falling victim to a job scam.

However, I do appreciate that Revolut would have seen the payment was being made to a crypto account and so could have provided warnings relating to that type of scam. But I’m not convinced that any further intervention or different warnings would have led Miss R to answer any questions accurately and honestly.

I say this because I have seen the screenshots of her conversation with the scammer which show that unfortunately, she had them walking her through, telling her what to do and what to say at every stage.

I have also listened to calls that Miss R had with a bank, where she tried to make payments to the same beneficiary, prior to the payment I am considering in this case. During one of the calls, Miss R said she was trying to pay a friend she owed money to, that she had met them in person and she wasn't being guided or told to lie. The bank rejected the payment Miss R was trying to make to the same beneficiary as they suspected Miss R to be a victim of a scam. Miss R asked whether she will be able to send it again. The bank said they wouldn't allow it as a bank transfer and she'd need to make it another way.

Because of this, on balance, I think it's most likely Miss R would've answered any further questions from Revolut in a similar way. This, in turn, would've reassured Revolut that she was making the payment legitimately and prevented them from uncovering the scam.

Overall, while I appreciate Miss R was following what she thought was a legitimate job process, and while I'm really sorry she's been the victim of such a cruel scam, the information she provided Revolut prevented them from identifying that she was falling victim to a job scam. Despite this, Revolut did provide warnings that were tailored to the reason she gave for the payment. Miss R failed to respond accurately to the warnings she was given and proceeded with the transfer as she was so heavily under the spell of the scammer.

Because of this, I can't fairly and reasonably hold Revolut responsible for her loss.

Recovery

I also need to consider whether Revolut did enough after being advised of the scam, to try and recover the funds.

As the crypto was purchased via the peer-to-peer market, Revolut wouldn't have had any basis to request the return of those funds as the crypto had been provided. While Revolut have said they attempted to recover the funds, I can also see that Miss R had already moved the funds on to the scammer meaning there was no possibility of recovery.

It follows that I don't think Revolut could reasonably have done anything more to recover Miss R's loss.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 30 June 2025.

Danielle Padden
Ombudsman