

The complaint

Miss L complains Revolut Ltd (“Revolut”) hasn’t refunded her the money she lost when she fell victim to an impersonation 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 30 September 2024, Miss L fell victim to a bank impersonation scam. She’d received a text message that purported to be from a parcel delivery service asking her to make payment to arrange a delivery. Miss L clicked on the link and made a small payment using a credit card she held with a third-party bank.

Sometime later, Miss L received a call from someone who said they worked for her credit card provider, but who we now know to be a scammer. The scammer told Miss L that the text message she’d received days before had been from a scammer and she’d unwittingly compromised her bank accounts. The scammer asked Miss L to confirm the names of all the banks she held accounts with and her available balances. Miss L was told her credit card provider would get in touch with her bank account providers and let them know what had happened and that they’d be in touch shortly.

Miss L then received a call from someone who purported to be calling from one of her genuine bank account providers. During this call, Miss L was told to move all of her funds to her Revolut account because this account was safer than her others. Miss L then sent all of her available funds from two third-party current accounts to her account at Revolut. In total, Miss L transferred £10,117.83 into her Revolut account across three transactions.

Miss L was then called by someone who purported to be from Revolut. During this call, an account with a third-party money transfer service - “R” - was set up, although Miss L didn’t realise this was what was happening at the time. Miss L was told this account was called something else and that she would need to transfer all her funds from her Revolut account to this newly opened account to keep her money safe.

During the next hour, Miss L authorised 6 card payments from her Revolut account to R and on to the scammers. I’ve detailed all of the activity that took place on Miss L’s Revolut account in the following table. I’ve highlighted the successful card payments in bold:

Payment	Date	Time	Type of transaction	Amount debited	Amount credited	Points of note
	30/09/2024	18:04	Payment in from Miss L		£5,000.18	
	30/09/2024	18:09	Payment in from Miss L		£2,616.27	
	30/09/2024	18.11	Payment in		£2,501.38	

			from Miss L			
Payment 1	30/09/2024	18:24	Card payment to R	£1,990		
	30/09/2024	18:26	Card payment to R	£1,989		Declined – fraud alert
	30/09/2024	18:26	Card payment to R	£1,989		Declined – fraud questions not answered
Payment 2	30/09/2024	18:34	Card payment to R	£1,989		
	30/09/2024	18:35	Card payment to R	£1,988		Declined – Card blocked
	30/09/2024	18:35	Card payment to R	£1,988		Declined – Card blocked
Payment 3	30/09/2024	18:40	Card payment to R	£1,989.99		
Payment 4	30/09/2024	18:41	Card payment to R	£1,989.99		
Payment 5	30/09/2024	18:43	Card payment to R	£1,987.99		
Payment 6	30/09/2024	18:45	Card payment to R	£151.99		

Miss L says she remembers seeing some scam warnings displayed in her Revolut app when she attempted to authorise the second payment and she questioned these warnings with the scammer. The scammer told Miss L not to worry as it was him who was sending her the scam warnings. He told Miss L to read the questions she was being asked out loud over the phone and would tell her what answers to provide.

Once Miss L had authorised the final payment, the scammer ended the call and Miss L realised she'd been scammed.

Miss L contacted Revolut straightaway via its in-app chat. Revolut looked into what had happened to Miss L but it declined to offer her a refund of the amount she had lost. It said it had provided with Miss L with scam warnings during the payment process which she had chosen to ignore and it wasn't be possible to raise successful chargebacks in relation to the payments as they'd been sent to a money transfer service.

Unhappy with Revolut's response, Miss L brought her complaint to this service and one of our investigators looked into things.

Our Investigator thought the complaint should be *partially* upheld. They didn't think the first payment of £1,990 was so unusual that Revolut should've intervened before it left Miss L's account. And they thought Revolut's intervention in regard to the second payment was sufficient given the scam risk that Payment 2 had presented at the time. However, by the third payment, they thought the activity on the account was so suspicious that Revolut should've intervened and discussed the payment with Miss L before it was allowed to leave her account. The investigator thought that had Revolut appropriately intervened, the scam would've come to light and Miss L's further loss prevented.

So, the Investigator recommended that the third payment and any payments that followed should be refunded to Miss L, minus 50% to recognise that she had also played a role in the success of the scam. The investigator also recommended that Revolut pay Miss L £150 in compensation to apologise for its poor communication after she reported being the victim of a scam.

Neither Miss L or Revolut agreed with the investigators opinion. Miss L maintained that Revolut should provide her with a full refund. Revolut said it shouldn't pay Miss L a refund at all as she had been grossly negligent in ignoring the scam warnings it had provided to her during the payment process.

Neither parties additional points changed our investigators mind and as an informal agreement could not be reached, the case has been passed to me for a 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.

In deciding what's fair and reasonable, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

In broad terms, the starting position at 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 (in this case the 2017 regulations) and the terms and conditions of the customer's account.

And, as the Supreme Court has recently reiterated in *Philipp v Barclays Bank UK PLC*, subject to some limited exceptions banks have a contractual duty to make payments in compliance with the customer's instructions.

In that case, the Supreme Court considered the nature and extent of the contractual duties owed by banks to their customers when making payments. Among other things, it said, in summary:

- The starting position is that it is an implied term of any current account contract that, where a customer has authorised and instructed a bank to make a payment, it must carry out the instruction promptly. It is not for the bank to concern itself with the wisdom or risk of its customer's payment decisions.
- At paragraph 114 of the judgment the court noted that express terms of the current account contract may modify or alter that position. In *Philipp*, the contract permitted Barclays not to follow its consumer's instructions where it reasonably believed the

payment instruction was the result of APP fraud; but the court said having the right to decline to carry out an instruction was not the same as being under a legal duty to do so.

In this case, the terms of Revolut's contract with the consumer modified the starting position described in Philipp, by expressly requiring Revolut to refuse or delay a payment "if legal or regulatory requirements prevent us from making the payment or mean that we need to carry out further checks".

In this respect, section 20 of the terms and conditions said:

"20. When we will refuse or delay a payment

We must refuse to make a payment or delay a payment (including inbound and outbound payments) in the following circumstances:

· If legal or regulatory requirements prevent us from making the payment or mean that we need to carry out further checks..."

So Revolut was required by the implied terms of its contract with the consumer and the Payment Services Regulations to carry out their instructions promptly, except in the circumstances expressly set out in its contract, which included where regulatory requirements meant it needed to carry out further checks.

I am satisfied that, to comply with regulatory requirements (including the Financial Conduct Authority's "Consumer Duty", which requires financial services firms to act to deliver good outcomes for their customers) Revolut should in September 2024 have been on the look-out for the possibility of fraud and have taken additional steps, or made additional checks, before processing payments in some circumstances.

So, Revolut's standard contractual terms produced a result that limited the situations where it could delay or refuse a payment – so far as is relevant to this complaint – to those where applicable regulations demanded that it do so, or that it make further checks before proceeding with the payment. In those cases, it became obliged to refuse or delay the payment. And, I'm satisfied that those regulatory requirements included adhering to the FCA's Consumer Duty.

The Consumer Duty – as I explain below – requires firms to act to deliver good outcomes for consumers.

Whilst the Consumer Duty does not mean that customers will always be protected from bad outcomes, Revolut was required act to avoid foreseeable harm by, for example, operating adequate systems to detect and prevent fraud. The Consumer Duty is therefore an example of a regulatory requirement that could, by virtue of the express terms of the contract and depending on the circumstances, oblige Revolut to refuse or delay a payment notwithstanding the starting position at law described in Philipp.

I have taken both the starting position at law and the express terms of Revolut's contract into account when deciding what is fair and reasonable. I am also mindful that in practice, whilst its terms and conditions referred to both refusal and delay, the card payment system rules meant that Revolut could not in practice delay a card payment, it could only decline ('refuse') the payment.

But the basis on which I am required to decide complaints is broader than the simple application of contractual terms and the regulatory requirements referenced in those contractual terms. I must determine the complaint by reference to what is, in my opinion, fair and reasonable in all the circumstances of the case (DISP 3.6.1R) taking into account the considerations set out at DISP 3.6.4R.

Whilst the relevant regulations and law (including the law of contract) are both things I must take into account in deciding this complaint, I'm also obliged to take into account regulator's guidance and standards, relevant codes of practice and, where appropriate, what I consider to have been good industry practice at the relevant time: see DISP 3.6.4R. So, in addition to taking into account the legal position created by Revolut's standard contractual terms, I also must have regard to these other matters in reaching my decision.

Looking at what is fair and reasonable on the basis set out at DISP 3.6.4R, I consider that Revolut should in September 2024 have been on the look-out for the possibility of fraud and have taken additional steps, or made additional checks, before processing payments in some circumstances.

In reaching the view that Revolut should have been on the look-out for the possibility of fraud and have taken additional steps, or made additional checks, before processing payments in some circumstances, I am mindful that in practice all banks and EMI's like Revolut do in fact seek to take those steps, often by:

- using algorithms to identify transactions presenting an increased risk of fraud;¹
- requiring consumers to provide additional information about the purpose of transactions during the payment authorisation process;
- using the confirmation of payee system for authorised push payments;
- providing increasingly tailored and specific automated warnings, or in some circumstances human intervention, when an increased risk of fraud is identified. For example, it is my understanding that in September 2024, Revolut, whereby if it identified a scam risk associated with a card payment through its automated systems, could (and sometimes did) initially decline to make that payment, in order to ask some additional questions (for example through its in-app chat), as it ultimately did in this case. For example, it is my understanding that from October 2023, Revolut operated a process whereby if it identified a scam risk associated with a card payment through its automated systems, it might initially decline to make that payment, in order to ask some additional questions (for example through its in-app chat). If Revolut was satisfied with the response to those questions and/or it provided a relevant warning, the consumer could use the card again to instruct the same payment and Revolut would then make the payment.

I am also mindful that:

- Electronic Money Institutions like Revolut are required to conduct their business with "due skill, care and diligence" (FCA Principle for Businesses 2), "integrity" (FCA Principle for Businesses 1) and a firm "must take reasonable care to organise and control its affairs responsibly and effectively, with adequate risk management systems" (FCA Principle for Businesses 3).
- Over the years, the FCA, and its predecessor the FSA, have published a series of publications setting out non-exhaustive examples of good and poor practice found

¹ For example, Revolut's website explains it launched an automated anti-fraud system in August 2018: https://www.revolut.com/news/revolut_unveils_new_fleet_of_machine_learning_technology_that_has_seen_a_fourfold_reduction_in_card_fraud_and_had_offers_from_banks/

when reviewing measures taken by firms to counter financial crime, including various iterations of the “Financial crime: a guide for firms”.

- Regulated firms are required to comply with legal and regulatory anti-money laundering and countering the financing of terrorism requirements. Those requirements include maintaining proportionate and risk-sensitive policies and procedures to identify, assess and manage money laundering risk – for example through customer due-diligence measures and the ongoing monitoring of the business relationship (including through the scrutiny of transactions undertaken throughout the course of the relationship). I do not suggest that Revolut ought to have had concerns about money laundering or financing terrorism here, but I nevertheless consider these requirements to be relevant to the consideration of Revolut’s obligation to monitor its customer’s accounts and scrutinise transactions.
- The October 2017, BSI Code², which a number of banks and trade associations were involved in the development of, recommended firms look to identify and help prevent transactions – particularly unusual or out of character transactions – that could involve fraud or be the result of a scam. Not all firms signed the BSI Code (and Revolut was not a signatory), but the standards and expectations it referred to represented a fair articulation of what was, in my opinion, already good industry practice in October 2017 particularly around fraud prevention, and it remains a starting point for what I consider to be the minimum standards of good industry practice now (regardless of the fact the BSI was withdrawn in 2022).
- Since 31 July 2023, under the FCA’s Consumer Duty³ regulated firms (like Revolut) must act to deliver good outcomes for customers (Principle 12) and must avoid causing foreseeable harm to retail customers (PRIN 2A.2.8R). Avoiding foreseeable harm includes ensuring all aspects of the design, terms, marketing, sale of and support for its products avoid causing foreseeable harm (PRIN 2A.2.10G). One example of foreseeable harm given by the FCA in its final non-handbook guidance on the application of the duty was “consumers becoming victims to scams relating to their financial products for example, due to a firm’s inadequate systems to detect/prevent scams or inadequate processes to design, test, tailor and monitor the effectiveness of scam warning messages presented to customers”⁴.
- Revolut should also have been aware of the increase in multi-stage fraud, particularly involving cryptocurrency⁵ when considering the scams that its customers might become victim to. Multi-stage fraud involves money passing through more than one account under the consumer’s control before being sent to a fraudster. Our service has seen a significant increase in this type of fraud over the past few years – particularly where the immediate destination of funds is a cryptocurrency wallet held in the consumer’s own name. And, increasingly, we have seen the use of an EMI (like Revolut) as an intermediate step between a high street bank account and cryptocurrency wallet.
- The main card networks, Visa and Mastercard, don’t allow for a delay between receipt of a payment instruction and its acceptance: the card issuer has to choose straight away whether to accept or refuse the payment. They also place certain restrictions on their card issuers’ right to decline payment instructions. The essential effect of these restrictions is to prevent indiscriminate refusal of whole classes of transaction, such as by location. The network rules did not, however, prevent card issuers from declining particular payment instructions from a customer, based on a perceived risk of fraud that arose from that customer’s pattern of usage. So it was

² BSI: PAS 17271: 2017” Protecting customers from financial harm as result of fraud or financial abuse”

³ Prior to the Consumer Duty, FCA regulated firms were required to “pay due regard to the interests of its customers and treat them fairly.” (FCA Principle for Businesses 6). As from 31 July 2023 the Consumer Duty applies to all open products and services.

⁴ The Consumer Duty Finalised Guidance FG 22/5 (Paragraph 5.23)

⁵ Keeping abreast of changes in fraudulent practices and responding to these is recognised as key in the battle against financial crime: see, for example, paragraph 4.5 of the BSI Code and PRIN 2A.2.10(4)G.

open to Revolut to decline card payments where it suspected fraud, as indeed Revolut does in practice - and as it did in this case (see above).

Overall, 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 September 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 its 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 its products, including the contractual terms, enabled it 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 and did in this case); and
- 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.

Whilst I am required to take into account the matters set out at DISP 3.6.4R when deciding what is fair and reasonable, I am satisfied that to comply with the regulatory requirements that were in place in September 2024, Revolut should in any event have taken these steps.

Should Revolut have recognised that Miss L was at risk of financial harm from fraud?

I'm not persuaded that the first payment amounting to £1,990 was so unusual that it should've prompted an intervention from Revolut. The payment in question was for a relatively modest amount and was in-line with Miss L's usual spending. However, when Miss L attempted to make two further payments they were declined as suspicious and Miss L was sent the following notification:

"Payment blocked – Our systems have identified a possible scam, and we've blocked similar merchants. Tap to review".

Revolut then sent Miss L a series of questions. Miss L was asked if anyone was pressuring her to make the payment, to which Miss L answered "no".

Revolut then provided Miss L with the following warning: "If someone is telling you to ignore these warnings, they're a scammer. Only continue if you're sure nobody is pressuring you to make a payment".

Revolut then asked Miss L to input the reason for the payment. Miss L selected "*I'm transferring the money to another account of mine*".

Having established the above, Revolut then provided Miss L with a warning which read:

“if someone is guiding you through this process, it’s likely to be a scam”.

It then went on to ask Miss L if she was being told what answers to select, Miss L selected: *“no I am not being told what to select”.*

Revolut then provided a further warning which said:

“Fraudsters will lie and tell you that your account isn’t safe. They’ll say that you need to move your money to another account”.

Miss L was then asked if someone had told her that her account wasn't safe, Miss L selected *“no, no one told me my account isn’t safe”.*

Revolut then provided a series of educational messages which discussed the prevalence of scams and fraudsters pretending to be from someone she trusted, and it warned Miss L that financial institutions wouldn’t ask customers to urgently move funds. Miss L was then asked to confirm that she understood the risks of unblocking future payments. The account was unblocked and Miss L was allowed to authorise Payment 2.

Overall, I’m satisfied that the above intervention was proportionate to the scam risk presented by Payment 2. And whilst I acknowledge that Miss L was being guided on how to answer the questions posed by Revolut, Revolut did take steps to identify the circumstances surrounding Payment 2 and it provided a scam warning which covered off the common features of safe accounts. The scam warnings presented by Revolut were directly applicable to the circumstances Miss L found herself in and warned her about the consequences of going ahead with the payment. So, overall, I’m satisfied that Revolut did enough to in regard to Payment 2 and I won’t be asking it to offer Miss L a refund of this payment now.

The above being said, and despite Miss L’s answers to the questions posed in regard to Payment 2, I am persuaded that Revolut should’ve had serious concerns about the activity on Miss L’s account once she attempted to make the third payment for £1,989.99.

This was now the third payment of a similar value being attempted in 36 minutes from Miss L’s Revolut account. Revolut had declined a further two payments as suspicious and her card had been frozen. However, no further intervention took place and it appears Miss L was able to unfreeze her card and authorise Payment 3 without any further intervention from Revolut or without Revolut speaking with her further. I’m not persuaded this was reasonable given the activity that was taking place on her account.

What should Revolut have done to warn Miss L in regard to Payment 3?

Having thought carefully about the risk Payment 3 presented, I think a proportionate response to that risk would be for Revolut to have attempted to establish the circumstances surrounding the payment before allowing it to debit Miss L’s account. I acknowledge that Revolut had already provided Miss L with scam warnings in regard to Payment 2 but given the significant risk now presented by the third payment, I’m satisfied Revolut should’ve intervened further. I’m satisfied Revolut should have sought to speak with Miss L in person, for example, by directing Miss L to its in-app chat to discuss the payment.

If Revolut had attempted to establish the circumstances surrounding Payment 3, would the scam have come to light and Miss L’s loss been prevented?

Had Miss L told the genuine Revolut that she was being asked to move money to a new account in order to protect her funds, it would have immediately recognised that she was falling victim to a scam. It would have been able to provide a very clear warning and, given that Miss L had no desire to lose her money and nothing to gain from going ahead with the payment, it's very likely that she would have stopped, not followed the scammer's instructions and her loss would have been prevented.

So, I've firstly considered whether Miss L would've revealed that she was being asked to move money to a new account to protect her funds. And having done so, I'm satisfied she would have.

When Miss L entered the payment reason "*Moving funds to one of my own accounts*" she believed this was true. She thought she was moving funds to a safe account set up in her own name. And when she was asked to select answers to the questions Revolut posed in the app, she was being heavily coached by the scammer through the payment process. She was simply following the scammers instructions and she hadn't set out to deliberately deceive Revolut. So, whilst I do accept that Miss L, up until this point, had been following the scammers instructions as to what to input, had Miss L been required to positively engage with another person at genuine Revolut, I'm satisfied she would've had to actively engage with the questions in real time and consider her answers and I haven't seen anything to persuade me that she would've deliberately chosen to mislead Revolut – she had no reason to. She genuinely believed she was transferring money to a safe account to protect her funds. She hadn't questioned what she was being asked to input up until this point but this was because there was no real interaction or engagement with genuine Revolut which in my view, would've had the necessary impact to uncover the scam.

Ultimately, as Revolut didn't question the third payment Miss L made in person, it can provide no compelling evidence that she would have actively misled it about the purpose of the payments or the surrounding circumstances.

So, Revolut should, once it had established why Miss L was making the payment, provided a very clear warning that explained, as a minimum, that it would never ask her to move money to a new account, that she was speaking with a scammer and that she was falling victim to a scam.

I think, on the balance of probabilities, that's likely to have caused Miss L to stop. She didn't want to lose her money and I can see no reason for her to have continued to make the payment if she was presented with a warning of this nature. She would've been actively engaging with someone in real time who would've had been able to tell her she was falling victim to a scam.

So, I'm satisfied that had Revolut established the circumstances surrounding Payment 3, as I think it ought to have done, and provided a clear warning, Miss L's loss from and including Payment 3 would have been prevented.

Is it fair and reasonable for Revolut to be held responsible for Miss L's loss?

In reaching my decision about what is fair and reasonable, I have taken into account that Revolut is one of multiple firms involved in this scam. But as I've set out in some detail above, I think that Revolut still should have recognised that Miss L might have been at risk of financial harm from fraud when she made Payment 3, and in those circumstances, it should have declined the payment and made further enquiries. If it had taken those steps, I am satisfied it would have prevented the losses Miss L suffered. The fact that the money used to fund the scam came from elsewhere does not alter that fact and I think Revolut can fairly be

held responsible for the consumer's loss in such circumstances. I don't think there is any point of law or principle that says that a complaint should only be considered against either the firm that is the origin of the funds or the point of loss.

Ultimately, I must consider the complaint that has been referred to me and for the reasons I have set out above, I am satisfied that it would be fair to hold Revolut responsible for Miss L's loss from Payment 3 onwards (subject to a deduction for consumer's own contribution which I will consider below).

Should Miss L bear any responsibility for her losses?

In considering this point, I've taken into account what the law says about contributory negligence as well as what's fair and reasonable in the circumstances of this complaint.

My intention is not to further Miss L's distress where she's already been the victim of a cruel scam. I've taken on board what Miss L has said about being pressured by the scammer and her not being able to think clearly at the time.

As I've said above, I think Revolut could've prevented the scam had it directly engaged with Miss L in regard to Payment 3. I also want to assure Miss L that I've thought about the numerous sophisticated tactics used by the scammer in this case to make her believe she was speaking with genuine Revolut. However, I also have to bear in mind that Miss L had been provided with a scam warning that directly addressed the circumstances that she found herself in. This warning had been detailed in nature and informed her of the consequences of continuing with the payments she was making. It set out all of the common features of this type of scam. And whilst I understand that Miss L was under the spell of the scammer who was guiding her through the payment process, it's clear that she did read this warning and I'm satisfied it should've resonated with her at the time and caused her to think twice about what she was being asked to do. I also think the fact that Miss L was being asked to read out her card number in order to make payments to secure her account should've caused her some concern.

Overall, I think there were enough red flags that Miss L should've been concerned about the legitimacy of what she was being asked to do. For this reason, I am satisfied she should share liability for her loss with Revolut.

In summary, I think Revolut's intervention in regard to Payment 2 was proportionate to the risk this payment presented. However, I think Revolut should've done more to prevent Payment 3 and I'm satisfied that if it had, Miss L's loss from this point could've been prevented. However, I think it's fair for Miss L to share the responsibility for her loss with Revolut for the reasons I've set out above and therefore I only ask Revolut to refund 50% of her loss from Payment 3 onwards.

Additional compensation

Miss L has highlighted the significant impact this scam has had on both her finances and her mental health. She has said Revolut's handling of her complaint has only made things worse. I sympathise with the position Miss L has found herself in and having read the messages shared between her and Revolut after she reported the scam, I understand why her engagement with Revolut would have caused additional upset.

It is clear that Miss L is distressed during this interaction. She is struggling to understand the process that she needs to follow in order to have a possibility of getting her money back. She is asking questions and looking for support. And I'm not persuaded that Revolut was

really engaging with what Miss L was saying. It didn't come across like Miss L was ever engaging with a real person. She was being sent numerous templated responses and being told generic information and no one was directly answering her specific questions – none of which were unreasonable.

The messages show Miss L becoming more and more distressed and frustrated. It's important to remember that Miss L had just been the victim of a distressing scam. She had lost all her savings. And overall, I think more care was required. Instead Revolut's customer service fell below the standard I would expect, and I do think this compounded the distress Miss L felt and having just been the victim of fraud.

For the above reasons, I agree with our investigator that an appropriate compensatory award would amount to £150. I'm conscious that Miss L might not think this is enough. However, I have to bear in mind that the majority of the distress and anxiety was caused by the actions of the scammers and not Revolut. In terms of Revolut's service failings, I'm satisfied that £150 is fair and reasonable.

Putting things right

Overall, I'm satisfied that it's fair and reasonable to require Revolut to pay Miss L:

- 50% of her losses, from and including, Payment 3.
- Pay interest on the 50% refund calculated at a rate of 8% simple from the date the funds left Miss L's account to the date of settlement in order to compensate her for the amount of time she has been without these funds.*
- £150 to compensate her for the upset caused by Revolut's service failings.

*If Revolut Ltd considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Miss L how much it's taken off. It should also give Miss L a tax deduction certificate if she asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

My final decision

For the reasons outlined above, I partially uphold this complaint about Revolut Ltd

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss L to accept or reject my decision before 24 April 2025.

Emly Hanley Hayes
Ombudsman