

The complaint

Miss V complains Revolut Ltd won't reimburse money she lost when she fell victim to a scam.

What happened

Miss V paid over £22,000 in July 2023, to what she was led to believe was an employment opportunity – completing tasks online to earn commission. Miss V had to fund the account whenever it went into a negative balance, and she came to the realisation it was a scam, when she ran out of funds.

Our investigator didn't uphold a complaint, as although he found Revolut ought to have done more when asking questions about one of the payments, he wasn't persuaded that would have prevented Miss V's loss.

Miss V's representative asked for the matter to be referred to a decision. It said it didn't agree with:

- The suggested point in time at which the bank should have intervened and questioned Miss V.
- The idea that Revolut's intervention was sufficient, effective or in any way proportional to the risk Miss V faced based on the information it had at the time.
- The idea that an intervention carried out in the manner expected would not have uncovered the scam.

As the case could not be resolved informally, it's been passed to me for 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.

Having done so, I agree with the investigator's conclusions for the following reasons:

- It isn't in dispute that Miss V 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 initial five payments as a result of the scam were all under £85. They were reasonably spread out and made to four different individuals. So (except one payment to the same payee) there was nothing to link the payments with each other. I suspect given the premise of this complaint these were for the purchase of cryptocurrency on the peer-to-peer market but that wouldn't have been apparent to Revolut. I'm not persuaded there is anything about those payments, that ought to have looked suspicious to Revolut.
- However, the second payment made on 8 July 2023, was for substantially more, and meant almost £7,000 had gone out of the account in one day, over two payments, and to the same payee.
- But I don't think the £4,600 payment would have obviously looked like cryptocurrency as the payee appears to do other types of trading. I think an automated question and warning regarding the payment purpose would have been proportionate to the risk involved at this point.
- Had Revolut intervened as set out above, in thinking about what would more likely have happened, I've relied on what *did* happen later when Revolut asked Miss V for a payment purpose and further questions about the transactions. But it could only warn based on the scam risk it could reasonably identify. Based on this, I don't think it would have been apparent that Miss V was falling victim to a job scam.
- The £8,500 payment did look suspicious to Revolut and it asked Miss V a series of questions about it. And then it directed her to its chat, presumably because the answers Miss V gave, still concerned it.
- I do think Revolut could have asked more and better probing questions of Miss V about the £8,500 payment she was making when she was directed to its chat. Revolut could see this payment was to a known cryptocurrency provider and it was a significant sum to be 'paying a friend' (the purported payment purpose Miss V gave at the time). So I do think Revolut needed to go further. I think it ought reasonably to have identified from the destination that this was going to cryptocurrency. So, in spite of Miss V's story, I would've expected Revolut to warn around cryptocurrency investment scams, as it could see she was sending a higher value payment to a known cryptocurrency provider.
- But I'm still not persuaded that would have prevented her loss. Miss V wasn't 'investing' in cryptocurrency. She understood she was using the cryptocurrency platform to deposit funds into her account to spend with her 'employer'. So, I'm not satisfied the kind of warning I'd have expected (highlighting the key features of a cryptocurrency investment scams) at this time would've stopped her from going ahead with the payments. The kind of risk Revolut would've been highlighting would not have resonated with the situation Miss V found herself in.
- I'm not persuaded there were any prospects of Revolut successfully recovering the funds, given the money was used to purchase cryptocurrency from legitimate providers.

Miss V has fallen victim to what can only be described as a cruel and callous scam. I'm sorry she has lost so much money, and I can understand why she would like to be compensated for all her losses. But I can only ask Revolut to reimburse Miss V if I find that any wrongdoing on its part caused her loss. and I'm not persuaded that this was the case. For the above reasons, I don't think Revolut has acted unfairly by not refunding the payments.

My final decision

For the reasons given above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss V to accept or reject my decision before 9 April 2025.

Kathryn Milne
Ombudsman