

The complaint

Miss Z complains Revolut Ltd (“Revolut”) won’t the money she lost when she fell victim to an employment scam.

What happened

The background of this complaint is already known to both parties, so I won’t repeat all of it here. But I’ll summarise the key points and then focus on explaining the reason for my decision.

Miss Z has used a professional representative to refer her complaint to this service. For the purposes of my decision, I’ll refer directly to Miss Z, but I’d like to reassure Miss Z and her representative that I’ve considered everything both parties have said.

Miss Z paid almost £10,000 between December 2023 and January 2024 to what she was led to believe was an employment opportunity – completing tasks online to earn commission. Miss Z had to fund her “work” account to continue working whenever it went into a negative balance, but she was in fact making bank transfers to individuals linked to the scam and debit card payments to cryptocurrency exchanges – and then forwarding cryptocurrency on to scammers.

The payments relevant to the scam were as follows:

| | Date | Amount | Description |
|----|------------------|------------------|------------------------|
| 1 | 28 December 2023 | £50 | Card payment to crypto |
| 2 | 29 December 2023 | £166 | Card payment to crypto |
| 3 | 29 December 2023 | £150 | Card payment to crypto |
| 4 | 31 December 2023 | £329 | Card payment to crypto |
| 5 | 2 January 2024 | £1,350 | Transfer to scammer |
| 6 | 3 January 2024 | £5,278 | Card payment to crypto |
| 7 | 14 January 2024 | £505 | Transfer to scammer |
| 8 | 14 January 2024 | £505 | Transfer to scammer |
| 9 | 14 January 2024 | £505 | Transfer to scammer |
| 10 | 14 January 2024 | £443.39 | Transfer to scammer |
| | Total | £9,281.39 | |

Miss Z said she came to the realisation she’d been scammed she was told she had to pay £40,000 to process an expensive task, which she couldn’t afford.

Our investigator didn’t uphold the complaint. Although she found that Revolut ought to have intervened for one of the payments and didn’t, she wasn’t persuaded that would have prevented Miss Z’s loss. That was because throughout the scam, including when being provided with scam alerts and being questioned about payments, Miss Z sought guidance from the scammer (who she understood to be her “mentor”) on what to do, and consequently gave Revolut incorrect information. Given the level of coaching, our investigator wasn’t persuaded a better intervention or further warnings would have prevented the loss.

As Miss Z didn't accept the investigator's opinion, the case has been passed to me to make 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.

I'm sorry to disappoint Miss Z but having considered everything I'm afraid I'm not upholding her complaint, broadly for the same reasons as our investigator, which I've set out below.

In broad terms, the starting position is that a firm is expected to process payments and withdrawals that its customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. And in this case it's not in question whether Miss Z authorised these payments from leaving her account. It's accepted by all parties that Miss Z gave the instructions to Revolut and Revolut made the payments in line with those instructions, and in line with the terms and conditions of Miss Z's account.

Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, I agree Revolut ought to have been on the look-out for the possibility of fraud and made additional checks before processing the sixth payment. But even if Revolut had done that, I'm not persuaded that would have prevented Miss Z's loss.

Revolut did find some of Miss Z's payments suspicious as it paused the payments to make some further enquiries about them. And based on the answers Miss Z gave at that time, I'm not persuaded at intervention at payment six would've made a difference or uncovered the scam.

I say this because Miss Z had been subject to social engineering and was being coached by the scammer. This included what she should do in response questions posed by Revolut about the payment she was making. Miss Z told Revolut on more than one occasion that she was making the payments to "family and friends" and when Revolut asked her more questions using its chat facility, she expanded that she was repaying a friend to whom she had owed money for several years. She also said she'd opened her Revolut account to keep money for different purposes separate, and to benefit from better currency conversion rates.

Considering everything, I'm satisfied that even if Revolut had questioned Miss Z more thoroughly, or intervened more times, Miss Z would have continued reverting to the scammer on how to answer, and would likely have done so in such a way as to avoid alerting Revolut to what was really happening. So with this in mind, I can't hold Revolut responsible for her losses.

Recovery of the funds

Revolut attempted to recover funds from the account Miss Z made bank transfer to in payment five, but it was told the funds had already been withdrawn. That's not surprising, since the scam was reported around six months after it took place, and funds that are fraudulently obtained are often withdrawn or moved on very soon after receipt.

Revolut didn't attempt to recover payments six to ten, as they were made in a different way which involved Miss Z sending funds via another individual who was also, most likely, being scammed. As this person wasn't acting fraudulently, and as they were based overseas,

there's little chance that a recovery attempt would've been successful. So I don't think Revolut was wrong not to attempt recovery.

Revolut didn't have chargeback rights for the debit card payments because Miss Z used her debit card to make payments to a legitimate cryptocurrency exchange, and this service was provided as expected. So Revolut had no reasonable prospect of successfully recovering the funds using that route.

I'm very sorry that Miss Z has fallen victim to this scam and I do understand that my decision will be disappointing. But for the reasons I've set out above, I don't hold Revolut responsible for that.

My final decision

I don't uphold Miss Z's complaint against Revolut Ltd.

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

Sam Wade
Ombudsman