

The complaint

Miss B complains Revolut Ltd didn't do enough to protect her when she fell victim to a concert ticket scam.

What happened

In May 2024, Miss B was looking to purchase tickets to a music concert. A friend of her mother knew of someone selling tickets and they facilitated Miss B contacting the seller on a well-known social media platform. Miss B didn't realise at the time, but she was entering into a conversation with a scammer, who I will refer to as 'S', that had hacked a genuine person's social media account.

S informed Miss B she still had four tickets available at £150 per ticket. Miss B agreed to purchase all four tickets for a total cost of £600. Before she sent the money S showed her a screenshot of the tickets on what is a well-known ticket selling website, which she said she will forward onto her account once the payment was received.

Miss B was then asked to use her Revolut account to create three payment links for £200 each and forward the links for S to claim the money, which she did. S then told Miss B that she had been informed that only the named person(s) on the ticket can enter the event, so she would need to pay an extra £200 (£50 per ticket) to get the names changed. Miss B agreed and paid the extra £200 and shared the names she wanted on the tickets. S again provided a screenshot showing what appeared to be the name changes on the ticket selling website.

S then said the tickets had been sent to Miss B; however, a £100 transfer fee was being requested before the tickets could be transferred to her. S provided a screenshot which showed the £100 transfer fee, so Miss B paid this. S then sent Miss B another screenshot showing a further payment of £60 was needed for the activation barcode for the new tickets to be provided, which Miss B paid.

In total Miss B sent S £960 on 20 May 2024.

Miss B then asked S to send a screenshot when the tickets had been successfully transferred, however, she received a message from S which confirmed she had been scammed and was duly blocked by S. The person who Miss B thought she was speaking to later confirmed that her account had been hacked.

Miss B raised a complaint to Revolut about what had happened as she wanted her funds returned.

Revolut, looked into Miss B's complaint, but didn't uphold it. It didn't think it had done anything wrong by allowing the payments to go through as per her instructions. Revolut said their systems did detect Miss B was making payments to a new beneficiary, and provided a warning, which she had to acknowledge before being allowed to continue with the transfer. Revolut also said it frequently informs their customers about scams and fraud prevention tips, through emails and blogs. And it had done all it could to try and recover her funds once

it had been informed she was a victim of a scam.

Miss B didn't agree, and the complaint was referred to our service. Our Investigator didn't think Revolut had to do anything further. She said based on what Revolut knew about the payments at the time, and Miss B's prior account usage, they did not stand out as suspicious. So, she didn't think Revolut ought to have done anything differently or been concerned by the payments Miss B made. The Investigator also explained that due to payment method (push-to-card) and the recipient appearing to be an international firm, there wasn't a mechanism in place for the funds to be recovered.

Miss B disagreed and asked for her complaint to be reviewed by an Ombudsman. In short, she added:

- She had done all she could to verify authenticity of the seller, such as confirming the seller's details with her mutual friend.
- She requested proof of purchase from the official ticket selling website from S at each stage when more payments were being requested.
- The payments were out of character with how she normally operated her Revolut account. And making repeated payments to the same payee, all on the same day, should have raised concerns and indicated she was at risk of financial harm more than the larger payments she'd made previously from her account.
- The scam has left her in debt of almost £1,000 and she is suffering from anxiety and stress through no fault of her own.
- She also referenced another decision the Financial Ombudsman Service had issued, that was upheld, in support of her complaint as she considered it similar to her situation.

Miss B's complaint was passed to me to decide.

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 Miss B has been the victim of a scam and I don't underestimate the impact this has had on her. But while I'm sympathetic to her circumstances, I must consider whether Revolut is responsible for the loss she has suffered. I know this won't be the outcome Miss B is hoping for but, for similar reasons as our Investigator, I don't think Revolut is responsible. I'll explain why.

Before I do, I'd like to say at the outset that if there is a submission I've not addressed; it isn't because I've ignored the point. It's simply because my findings focus on what I consider to be the central issue in this complaint – that being whether Revolut is responsible for Miss B's loss.

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.

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 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;
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving and the different risks these can present to consumers, when deciding whether to intervene.

I think it's also important to highlight that there are many payments made by customers each day, and it's not reasonable to expect a financial business to stop and check every payment instruction to try to prevent fraud or financial harm. There's a balance to be struck between the extent it intervenes in payments to protect customers, and not unnecessarily disrupting legitimate payment instructions.

When Miss B attempted to make the first payment in question, the payment was flagged by Revolut's system for additional fraud checks, and Miss B was asked to confirm if she wanted to go ahead with the transfer via the following question:

“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 will never ask you to make a payment.”

As Miss B decided to continue with the transfer, the beneficiary was marked as 'trusted'.

Miss B said she only confirmed the payment after she had done everything she could have to verify the authenticity of the seller. Such as checking their social media account with the mutual friend and requesting proof of purchase from the seller from the official ticketing website.

However, having considered what Revolut knew about the payment at the time it received Miss B's instruction, I'm not persuaded it ought to have been particularly concerned about it. And I think the warning they did provide for the first payment was proportionate to the identifiable risk at the time – particularly given its low value.

Following this payment, Miss B went on to send a further £760. While I appreciate not an insignificant loss, this amount doesn't in itself suggest a heightened risk of fraud. The payments were going to an individual's account, and it is not uncommon for customers to transfer payments of this value at times.

I appreciate Miss B has mentioned the payments were out of character and suspicious and not in line with her usual account activity, as she wasn't in the habit of sending repeated

payments to the same payee, on the same day. The payments were made over a relatively short period of time – which can be a potential indicator of fraud or a scam. But having looked at Miss B's prior account activity, while of a lesser amount than is being disputed here, I can see that she had made multiple payments to the same payee/merchant on her account in succession (including on the same day) before. Because of this, I don't think this type of payment activity would've stood out to Revolut as being as particularly unusual for Miss B. Furthermore, I'm not persuaded the value, the destination of the payments or the frequency of the payments were so unusual or suspicious for Revolut to have suspected Miss B was at risk of financial harm - thereby prompting it to intervene before processing them.

This means that, without any interaction between Miss B and Revolut before the payments were made, I don't think Revolut would have had enough reason to suspect Miss B was at risk of financial harm from fraud or that the payments were out of character when she made them. They were simply not unusual or suspicious enough whereby I would've expected – and, as I've said, there is a balance for Revolut to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate. So, I don't think I can fairly conclude Revolut was at fault for processing the payments in line with Miss B's instructions.

Miss B has quoted a previous decision we've issued at the Financial Ombudsman Service in support of her complaint. While I understand this, I've looked at the individual circumstances of her complaint when reaching what I think is a fair outcome. And while I cannot comment on the outcome reached on this other complaint, it may be helpful to explain the principles applied on that case are not relevant here. This is because Revolut aren't signatories to the Contingent Reimbursement Model (CRM) code, so I'm unable to take its provisions into account here. Instead, I've taken into account the law, regulators' rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, as mentioned above.

I've also considered whether, on being alerted to the scam, Revolut could reasonably have done anything to recover Miss B's loss, but I don't think it could have. This is because the money was sent as push-to-card payments and sent to what appears to be an international based payee (not another Revolut account as Miss B suggests). And in this situation, there is very little chance of recovery.

Conclusion

I have a great deal of sympathy for Miss B and the loss she's suffered. I appreciate she is the innocent victim of a scam and has incurred a significant loss because of what happened. But it would only be fair for me to direct Revolut to refund her loss if I thought they were responsible – and I'm not persuaded that this was the case. For the above reasons, I think Revolut has acted fairly and so I'm not going to tell them to do anything further.

My final decision

My final decision is I don't uphold Miss B's complaint about Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 17 June 2025.

Israr Ahmed
Ombudsman