

The complaint

Miss B complains that Revolut Ltd hasn't protected her from losing money to an investment scam.

What happened

The background to this complaint is well known to both parties, so I won't repeat everything here. In brief summary, Miss B has explained that in March 2023 she made six payments totalling nearly £10,000 from her Revolut account as a result of what she thought was a legitimate investment.

Miss B subsequently realised she'd been scammed and got in touch with Revolut. Ultimately, Revolut didn't reimburse Miss B's lost funds, and Miss B referred her complaint about Revolut to us. As our Investigator couldn't resolve the matter informally, the case has been passed to me for a decision.

I sent Miss B and Revolut my provisional decision on 4 February 2025. Now both parties have had fair opportunity to respond, I'm ready to explain my 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.

Having done so – and having received no responses to my provisional decision from Miss B and Revolut – I've found no reason to depart from my provisional decision. I've reached the same conclusions and for the same reasons. I've explained my reasons again below.

First, let me say, I don't doubt Miss B has been the victim of a scam here. She has my sympathy. Ultimately, however, Miss B has suffered her loss because of fraudsters, and this doesn't automatically entitle her to a refund from Revolut. It would only be fair for me to tell Revolut to reimburse Miss B her loss (or part of it) if I thought Revolut reasonably ought to have prevented the payments (or some of them) in the first place, or Revolut unreasonably hindered recovery of the funds after the payments had been made; and if I was satisfied, overall, this was a fair and reasonable outcome.

Prevention

I'm satisfied Miss B authorised the relevant payments. Revolut would generally be expected to process payments a customer authorises it to make. And under The Payment Services Regulations and the terms and conditions of the account, Miss B is presumed liable for the loss in the first instance, in circumstances where she authorised the payments. That said, as a matter of good industry practice Revolut should have taken proactive steps to identify and help prevent transactions – particularly sufficiently unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there are many payments made by customers each day and it's not realistic or reasonable to expect Revolut to stop and check every payment instruction. There's a balance to be struck between identifying payments that could potentially be fraudulent, and minimising disruption to legitimate payments (allowing customers ready access to their funds).

Here, I'm not persuaded I can fairly say that Revolut unreasonably failed to prevent the payments. This is because Revolut has explained that for each new beneficiary Miss B set up, she would have been shown an in-app warning which said, *"Do you know and trust this payee? If you're unsure, don't pay them, as we may not be able to get your money back. Remember, fraudsters can impersonate others, and we will never ask you to make a payment"*. And I don't think, given the nature of Miss B's particular payments in this case, that I could fairly say I'd reasonably expect Revolut's interventions to have extended materially further than this before following Miss B's instructions to make the payments.

Miss B's first and last payments (of £200 and £85) weren't realistically of the level to be a concern to Revolut with regard to proportionate fraud and scams monitoring. Miss B's second and third payments were for £2,000 each and instructed by Miss B within around ten minutes of each other to the same new beneficiary – but I must be fair – there's a balance to be struck. Miss B had no material account history yet to show these payments or their amounts ought to have been concerning to Revolut. And £4,000 (in total for both of these payments) isn't of the level where I'd say Revolut should have yet been sufficiently concerned in this particular case.

There are then Miss B's fourth and fifth payments, which were instructed five days after payments two and three. These payments (four and five) were for £3,900 and £1,515 respectively, and instructed by Miss B within around three minutes of each other to a further new beneficiary. But I still don't think these two payments, taken together, were of the level where it would be fair for me to blame Revolut for Miss B having made them. They were for around £5,400 (totalled together), and being instructed so close together in time, there is an argument that Revolut ought to have at least provided Miss B with a general fraud and scams warning before executing the payments. But unfortunately I think, from the way Miss B has described the scam and how she was pressured, that even if Revolut had done this it's unlikely it would have made a difference. And actually, in this case, I think the type of intervention from Revolut that *might* have prevented Miss B from making the payments is, unfortunately for Miss B, not the level of intervention I'd reasonably expect Revolut to have extended to here, given what I've said about the payments and the balance I've said needs to be struck. This means that I'm not persuaded that I can fairly hold Revolut responsible for Miss B's loss of these payments to the scam on the basis that it didn't prevent Miss B from making them.

Recovery

After the payments were made, I couldn't reasonably expect Revolut to have done anything further until Miss B notified it she'd been scammed. Miss B didn't report she'd been scammed until more than a week after the payments had been made. And unfortunately I think that, given the circumstances of this case, these funds were then likely never going to be recoverable by Revolut. So I'm satisfied I can't fairly hold Revolut responsible for Miss B not being able to recover the funds.

I'm sorry Miss B was scammed and lost this money. However, despite my natural sympathy, I can't fairly tell Revolut to reimburse her in circumstances where I'm not persuaded it reasonably ought to have prevented the payments or to have been able to recover them.

My final decision

For the reasons explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 19 March 2025.

Neil Bridge
Ombudsman