

The complaint

Mr P complains that Revolut Ltd ('Revolut') won't refund the payments he made after falling victim to a job scam.

What happened

The background to this complaint isn't in dispute so I won't go into detail.

In summary, Mr P was contacted via a messaging app by someone offering him a remote role. The job involved Mr P completing tasks and offered both a base salary and commission based on the tasks he completed.

Combination tasks offered a higher commission but required Mr P to deposit funds into his account with his "employer".

These are the payments Mr P made as part of the scam.

Date	Pmt	Details of transaction	Amount
12.6.2024	1	Card transfer to E	£100
12.6.2024	2	Card transfer to E	£100
13.6.2024	3	Card transfer to E	£47
14.6.2024	4	Card transfer to A	£100
15.6.2024	5	Card transfer to A	£150
15.6.2024	6	Card transfer to A	£80.32
15.6.2024	7	Card transfer to A	£46.00
16.6.2024	8	Card transfer to A	€178.09
16.6.2024		<i>Card transfer to M - failed</i>	£1200
16.6.2024	9	Card transfer to M	€178.09
16.6.2024	10	Card transfer to M	£150
16.6.2024	11	Card transfer to M	£150
16.6.2024	12	Card transfer to M	£150
16.6.2024	13	Card transfer to M	£150
16.6.2024	14	Card transfer to A	£150
16.6.2024	15	Card transfer to A	£150
16.6.2024	16	Card transfer to A	£150
16.6.2024	17	Card transfer to A	£190.50
16.6.2024	18	Card transfer to A	£190.50
16.6.2024	19	Card transfer to A	£190.50
16.6.2024	20	Card transfer to A	£190.50
16.6.2024	21	Card transfer to A	£190.50
16.6.2024	22	Card transfer to A	£190.50
16.6.2024	23	Card transfer to A	£190.50
16.6.2024	24	Card transfer to A	£190.50
16.6.2024	25	Card transfer to A	£190.50
16.6.2024	26	Card transfer to A	£190.50
16.6.2024	27	Card transfer to A	£190.50

16.6.2024	28	Card transfer to A	£190.50
16.6.2024	29	Card transfer to A	£190.50
16.6.2024	30	Card transfer to A	£190.50
16.6.2024	31	Card transfer to A	£190.50
16.6.2024	32	Card transfer to A	£190.50
16.6.2024	33	Card transfer to A	£190.50
16.6.2024	34	Card transfer to A	£190.50

Initially, Mr P was able to withdraw small amounts of commission, prior to payment 8 in the table above. When Mr P couldn't afford to deposit any more money and couldn't withdraw his salary and commission, he realised it was a scam.

Mr P reported the scam to Revolut in July 2024, asking that they refund him. Revolut declined to refund Mr P saying they weren't at fault for processing his transfers. Revolut say they provided warnings, but Mr P ignored them.

Mr P wasn't happy with Revolut's response, so he brought a complaint to our service.

An investigator looked into Mr P's complaint and recommended that Revolut refund him from payment 9 onwards. The investigator felt Revolut acted appropriately by intervening on the £1,200 payment but felt they should've intervened again when Mr P made payment 9, as it was going to the same payee. Had Revolut intervened on payment 9 and asked Mr P questions about the payment, the investigator felt the scam would've been uncovered and Mr P's loss prevented.

Mr P agreed with the investigator's opinion. Revolut disagreed saying that Mr P had lied when they asked him questions on a later payment, so they didn't believe that earlier intervention would've uncovered the scam.

Revolut asked for an ombudsman to review the case.

Having reviewed the case, I reached the same overall outcome as the investigator, but with a different award. So, I issued a provisional decision and asked both parties to provide any further evidence they wanted to be considered before I issued a final decision.

My provisional decision

In my provisional decision I said:

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.

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 June 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 (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.

When did Revolut intervene and what warnings did they give?

Revolut say Mr P was shown a new payee warning on eight of the payments. This warning said:

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.

Revolut first intervened, when Mr P attempted to make the payment of £1,200. As part of that intervention, Revolut showed a warning which said “Something doesn’t look right. Your transaction has been flagged by our system as a potential scam. To continue, we need to ask you some questions. “

Mr P was then shown screens which asked him to honestly answer the questions and warned that if he was told to hide the real reason for the payment he was being scammed. They asked if Mr P was being pressured into making the payment and whether anyone was prompting or guiding him to make the payment. Revolut then asked Mr P the reason for the payment, and he chose “as part of an investment”.

In response, Mr P was shown a further set of screens which asked if he’d downloaded any screen sharing software, how he’d found the investment, whether he had control of the account he was paying funds to and whether he’d researched the company he was investing with.

Revolut followed this with five warning screens which said they suspected he was the victim of an investment scam, he should be aware of social media promotions, he shouldn’t give access to anyone else, he should do research, and he shouldn’t be rushed.

The payment for £1,200 was held for 3 hours to give Mr P time to consider whether he wanted to make it. But Mr P cancelled it.

Revolut intervened again after payment 34 by blocking Mr P's account as they were concerned by the activity.

Revolut asked Mr P the reason for the payment, and he said that he was paying money to a friend. Revolut asked if Mr P had met him in person and he said yes. Mr P was given a safe account warning which warned that scammers can impersonate Revolut, the police and pressure him into making payments.

Revolut also provided the following warning:

I have reviewed the information you provided and everything you described is identical to similar scams we've seen already over the past few weeks. We unfortunately think you've fallen victim to a cruel scam and urge you to act quickly. We're assuming the following happened:

- *You found an advert for a role or were approached for one on social media*
- *You were asked to send small amount of funds in, and perform certain tasks to generate profit*
- *The fraudster encouraged you to add further funds*

It also said this:

- *The platform to show you gains is likely fake. Fraudsters can spoof very convincing websites and apps and job adverts. They also very commonly use platforms such as [names of several social media messaging apps]*
- *You built up trust over small amounts for employment and to generate profit, and then increase the requests*

Revolut then prevented Mr P from making any further outbound payments.

Should Revolut have intervened at any other points?

This was a newly opened account, so Revolut didn't have any previous account activity to compare these transactions to. So, I can't fairly say Revolut should've been concerned about the first eight payments, taking into account their individual value, combined value and the pattern of the payments.

But, I would've expected Revolut to have intervened when Mr P made payment 9, based on the previous blocked payment of £1,200. I say this as the new lower amount was going to the same payee and Mr P had cancelled the £1,200 payment. So I would've expected Revolut to have asked Mr P questions onscreen about the payment, in order to identify the APP scam risk and then provide a tailored warning in response.

I would also have expected further intervention on payment 17, based on the payment pattern with multiple payments being sent in a very short period of time. Also, at this point, Mr P had effectively made the £1,200 payment they had blocked by sending 8 individual payments of £150. I think an appropriate response would've been for Revolut to block Mr P's account (as they did after payment 34) and refer him to their in-app chat.

If Revolut had intervened at payments 9 and 17, would it have prevented the losses Mr P suffered?

If Revolut had asked Mr P questions about payment 9, and provided an onscreen tailored warning, I'm not satisfied that would've prevented Mr P's loss. I say this as when Revolut intervened for the £1,200 payment, Mr P said the payment related to investment. There was a payment purpose of "paying for a job", but Mr P didn't select this. So, if Revolut had asked onscreen questions to try and identify the scam risk, I'm not persuaded that Mr P would've selected the correct payment reason. This means the warning provided in response is unlikely to have resonated with Mr P or prevented him from making the payment.

However, at payment 17, I think Revolut should've gone further and taken the steps they took when he attempted to make a further payment after payment 34.

I don't think Revolut should've waited until after payment 34 to take the action they did, as the pattern of payments was very concerning by the time Mr P made payment 17.

It's worth noting that when Mr P attempted a further payment after payment 34, he told Revolut the purpose was "paying a friend". Despite this payment purpose, Revolut provided a more detailed warning which included key features of job scams. Even if Mr P had lied about the purpose of the payment when asked at payment 17, the payment pattern and escalation in the value of the payments were very indicative of a scam. The payment pattern also didn't match Mr P's selected payment purpose of paying a friend.

If Revolut had blocked Mr P's account and provided the warning that they ultimately gave him which explained about job scams, I'm satisfied that Revolut could've prevented Mr P's loss from payment 17 onwards.

Mr P couldn't afford to lose this money, and I haven't seen anything that suggests he was so under the spell of the scammer that he would've ignored this warning. So, Revolut should refund Mr P from payment 17 onwards.

Is it fair and reasonable for Revolut to be held responsible for Mr P's loss?

In reaching my decision about what is fair and reasonable, I have taken into account that Revolut were the intermediary, with Mr P funding his Revolut account from an account he held with a bank, before moving the funds onto a cryptocurrency wallet in his name, then onto accounts/wallet's controlled by the scammer. However, the bank that Mr P used to fund his account, didn't intervene when he made any of the transfers and didn't provide any warnings.

Also, as explained above, I think that Revolut still should have recognised that Mr P might have been at risk of financial harm from fraud when he made payment 17 and if they had blocked his account, it would've prevented his loss.

The fact that the money used to fund the scam came from elsewhere and wasn't lost at the point it was transferred to Mr P's own account does not alter that fact and I think Revolut can fairly be held responsible for Mr P'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.

I've also considered that Mr P has only complained against Revolut. I accept that it's possible that other firms might also have missed the opportunity to intervene or failed to act fairly and reasonably in some other way, and Mr P could instead, or in addition, have sought

to complain against those firms. But Mr P has not chosen to do that and ultimately, I cannot compel him to. In those circumstances, I can only make an award against Revolut.

I'm also not persuaded it would be fair to reduce Mr P's compensation in circumstances where: the consumer has only complained about one respondent from which they are entitled to recover their losses in full; has not complained against the other firm (and so is unlikely to recover any amounts apportioned to that firm); and where it is appropriate to hold a business such as Revolut responsible (that could have prevented the loss and is responsible for failing to do so). That isn't, to my mind, wrong in law or irrational but reflects the facts of the case and my view of the fair and reasonable position.

Ultimately, I must consider the complaint that has been referred to me (not those which haven't been or couldn't be 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 Mr P's loss from payment 17 (subject to a deduction for Mr P's own contribution which I will consider below).

Should Mr P bear any responsibility for his 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.

Having considered the circumstances under which Mr P made his payments, I think it's fair for him to share responsibility for his loss with Revolut – for the following reasons:

- Mr P was contacted out of the blue by someone he didn't know and offered a role. I can't see that Mr P did any checks on the person who contacted him, or the company that he believed were offering the role.
- Mr P should've been concerned when he was told he could earn up to £6,100 per month for just 1 to 2 hours work per day.
- Mr P wasn't given a contract or any other employment agreement, which would be usual for a genuine job.
- Being asked to make payments is not generally a part of genuine employment, especially with the increased payments Mr P was asked to make by the time he got to payment 17. At this point, Mr P should've been concerned about the validity of the job and what he was being told.

Based on the number of red flags, I think a reasonable person would've been concerned by the time they got to payment 17 and completed checks on the authenticity of the role and the company they thought they were working for. On that basis, I'm satisfied it's fair for Mr P to share responsibility for his loss with Revolut and reduce the refund by 50%.

As Mr P has been deprived of the use of the funds, Revolut should pay interest on the refund of 8% simple interest, calculated from the date of the payments until the date of settlement.

My provisional decision was that I intended to uphold this case and ask Revolut to refund 50% from payment 17 onwards (which is £1,714.50), refund any fees associated with payments 17 to 34 inclusive and pay simple interest on the £1,714.50 at 8% per annum, calculated from the date of the payments until the date of settlement.

Responses to my provisional decision

Both parties responded to my provisional decision saying they had nothing new to add, but Revolut asked for a final decision to be issued.

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.

As neither party have provided any new arguments or evidence, I see no reason to reach a different answer than I did in my provisional decision.

In summary

I'm not satisfied that Revolut should have been concerned about the first eight payments Mr P made, but I would've expected them to intervene on payment 9. I say this as they had blocked his previous attempted payment to the same payee. In response, I would've expected Revolut to ask Mr P questions about the payment in order to identify the APP scam risk, then provide a tailored written warning. I'm not persuaded that this would've prevented Mr P's loss as he had told Revolut the reason for the previous payment was investment, not a job, and I don't think a scam warning relating to investment scams would've resonated with Mr P.

I would expect Revolut to have intervened again when Mr P was making payment 17. At this point I think Revolut should've gone a step further and referred Mr P to their in-app chat and provided him with the warning he was later shown when he tried to make a payment after payment 34. If Revolut had shown Mr P this warning at payment 17, I'm satisfied that it would've resonated with Mr P as it referred to key features of job scams. As a result of the warning, I'm satisfied it's more likely than not Mr P wouldn't have made any further payments, and his loss would've been prevented. So Revolut should refund Mr P from payment 17 onwards.

But I think it's fair for Mr P to share responsibility for his loss with Revolut based on the red flags and concerns he should've had about the legitimacy of the job by the time he made payment 17. He was contacted out of the blue by someone he didn't know, offered a high paying role for a very small time commitment and was asked to pay as part of his employment. I would've expected a reasonable person to have done checks as a result of these red flags. So, the refund should be reduced by 50%.

As Mr P was deprived of the use of the funds, he is entitled to simple interest of 8% on the refund of the payments. Some of the payments also incurred fees, and it's fair for Revolut to refund fees charged in relation to payment 17 onwards.

Putting things right

To put things right I require Revolut Ltd to:

- Refund 50% from payment 17 onwards (which is £1,714.50)
- Refund any fees associated with payments 17 to 34 inclusive
- Pay simple interest on the £1,714.50 at 8% per annum, calculated from the date of the payments until the date of settlement.*

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

My final decision

My final decision is that I uphold this complaint against Revolut Ltd and require them to compensate Mr P as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 25 June 2025.

Lisa Lowe
Ombudsman