DRN-5727327

The complaint

Mr S complains that Revolut Ltd won't refund money he lost when he fell victim to a scam.

What happened

The background to this complaint is familiar to both parties, so I'll only refer to some key events here.

In December 2023, over a series of 26 transactions, Mr S paid over £47,000 to what he believed to be a legitimate job opportunity reviewing hotels.

Mr S has explained that having been contacted out of the blue on a messaging app, he was offered a part-time job where he could earn commission by completing tasks related to rating hotels. He was advised he would need to deposit funds into the job account to generate the tasks he was required to complete, but that his funds would be returned to him in full. Mr S was advised to set up a Revolut account to enable him to credit the job account. Mr S then carried out a series of transactions, which included both transfers and card payments, that passed through either money remittance firms or a crypto exchange before being lost to the scam.

Mr S says he grew suspicious when he was asked to pay a £10,000 fee to withdraw £8,000 profit he believed he'd earned. He then contacted a law firm (which I'll refer to as 'C') for help and it confirmed he'd been scammed.

Mr S tried to recover his losses from Revolut. While Revolut was able to recover £150 from one of the beneficiary accounts - which was credited back to Mr S - it refused to reimburse him any of his remaining loss. It considered it had fulfilled its duty to protect Mr S by providing him with sufficient scam warnings for several of his transactions, but he had decided to proceed despite the warnings.

Unhappy with the outcome, Mr S referred a complaint to the Financial Ombudsman with the support of C. Our Investigator didn't uphold the complaint. Although they found Revolut ought to have asked Mr S more questions about his payments when it intervened, our Investigator wasn't persuaded this would ultimately have prevented his loss. Our Investigator noted that Mr S had been coached by the scammer to give inaccurate answers to Revolut, which limited its ability to uncover the scam. He also noted that Mr S shared screenshots of Revolut's intervention and actively sought guidance on how to respond to Revolut's questions.

In these circumstances our Investigator was not persuaded that proportionate intervention would have uncovered the scam or resulted in Mr S not going ahead with the payments. He therefore concluded Revolut could not be fairly held responsible for Mr S' loss.

C disagreed and asked for the matter to be referred for a decision. In short it said Revolut should have intervened earlier in the transactions than our Investigator concluded, and that when it did intervene it was insufficient and ineffective. It noted that Revolut was aware some of Mr S' payments were going to crypto merchants and so it was on notice that they may relate to a potential scam. While it accepted that Mr S had been coached by the scammers it said this did not absolve Revolut of its responsibility to protect customers from financial harm. It suggested Revolut should have taken preventative measures such as applying a temporary account hold or directing Mr S to a conversation to verify the legitimacy of his payment.

The complaint has now been 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.

Having done so, I have reached the same conclusion as our Investigator and for largely the same reasons. I realise this is not the outcome Mr S was hoping for. To be clear, I am in no doubt he has fallen victim to a cruel and sophisticated scam. But while I appreciate he has lost a considerable sum of money as a result, I must consider whether Revolut is responsible for the loss he's suffered. Having carefully considered the available evidence, I'm not persuaded it is. Because of this, I don't think Revolut acted unfairly by not refunding Mr S' loss. I will explain why.

It isn't in dispute that Mr S authorised the transactions in question. He is therefore presumed liable for his losses 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.

Indeed, Revolut did recognise that some of Mr S' payments posed an increased risk that they might relate to a scam. Revolut has evidenced that it intervened on at least four occasions before processing Mr S' payments to the scam – notably on the 2, 14 and 18 December 2023. On each occasion it asked Mr S about the payment purpose and provided him with a warning before processing the payments.

I agree with C that, based on what it knew at the time, Revolut should also have intervened on 7 December 2023, given the unusual pattern of payments Mr S had instructed that day – four payments to a money remittance firm which were all for a similar size and which utilised Mr S's entire balance. I think a proportionate response to that risk would have been for Revolut to have attempted to establish the circumstances surrounding the payment before allowing it to debit Mr S' account. I think it could have done this by, for example, directing Mr S to its in-app chat to discuss the payment further.

I also agree that Revolut's intervention on 14 and 18 December 2023, should have gone further than it did to try to understand why Mr S was seeking to make the payments he was.

Having established that I think Revolut ought to have done more, I must go on to consider whether I think proportionate intervention from Revolut, as I have described, would more likely than not have prevented Mr S' loss. In this case, I'm not persuaded it would have.

While it's impossible to know with any certainty how Mr S would have responded had Revolut intervened when I think it ought to have done, we do know how he responded when Revolut intervened at other times. I have also seen a copy of some of the messages Mr S exchanged with the scammers at the time. These illustrate that Mr S was being coached by the scammer in how to respond to Revolut's interventions, and Mr S actively sought their guidance on how to respond to the questions he was asked. As a result of this, Mr S gave inaccurate answers to Revolut that made it harder for it to uncover the scam. He also disregarded warnings that ought to have resonated with him.

For example, when Mr S instructed his first payment on 2 December 2023, Revolut asked if he knew and trusted the payee. Mr S confirmed he did, even though he had been given the details of the payee by the scammer purely for the purposes of making that payment. He was then presented with an onscreen warning advising that his payment was unusual and had been flagged as a potential scam and carried a *"99.2% higher risk than typical transactions".* He was offered the chance to *"cancel the payment"* or *"continue to questions"*, Mr S selected to answer questions. He was advised of the importance of answering questions honestly and asked if anyone was telling him which options to choose, he answered *"no, I am not being assisted through this questionnaire".* This was not true. Mr S was sharing screenshots of Revolut's intervention with the scammer and asking how to respond – in one message Mr S said *"Why am I making this transfer? Is the first question"*, the scammer replied, *"buy rent good and service"*. Mr S then went on to select *"Buy or rent goods or services"* as his payment purpose, which was not an accurate reflection of what he was doing.

There are other examples of Mr S seeking guidance from the scammer when he encountered friction when trying to make payments related to the scam. For example, in one message Mr S said *"Hello, maybe you can help. My bank has refused to send funds to both* [another EMI Mr S held an account with] *and now Revolut. advised by my agent to contact you."* Mr S was asked to share a screenshot of what he was seeing, the scammer then advised him on what to say *"Dear, okay, first of all you need to tell your bank that you are just transferring money to your revolut and it not a dangerous situation"* and later *"what information do they need, I will guide you."* On another occasion the scammer advised Mr S on how to get around his bank's protections in respect of screensharing within its banking app, by advising Mr S to take a photo with another phone.

When Revolut intervened on 14 December 2023, after Mr S instructed two payments of more than £3,000 to new payees, Mr S selected that the payment was *"As part of an investment"* and that he was hoping to make *"Gains from cryptocurrency"*. Neither of these answers were a true reflection of what Mr S thought he was doing at the time. Similarly, when asked how he'd been introduced to the investment he answered, *"friend or family member"* and later specified that he'd learned about the investment *"through my family"*. This was again untrue, and there were other more accurate answers he could have selected, such as *"online or social media ads"* and *"unsolicited contact"*. While the evidence I have been provided with does not directly show that Mr S was coached to provide these answers, it is nevertheless apparent that Mr S was prepared to give inaccurate answers in order to encourage Revolut to process his payments.

I think it is important to note that while Revolut ought to have recognised there was a heightened risk of financial harm, it was not apparent that the payments related to a job scam. As such, Revolut was largely reliant on the information Mr S provided, to understand the actual risk he faced so that it could warn him accordingly. Unfortunately, it is evident from the messages exchanged, that Mr S had been very heavily influenced by the scammer and had placed seemingly unwavering trust in what they said, so much so that he was prepared to give inaccurate answers to Revolut and sought step-by-step guidance on how to respond to Revolut's intervention.

I agree with C that Revolut ought to have been aware that scammers often coach consumers on how to respond to intervention – indeed in every intervention Revolut warned that fraudsters may ask Mr S to hide the real reason for the payment and reminded him about the importance of answering truthfully - but there is also a limit to what it could do. While I agree there was an opportunity for Revolut to probe certain questions further than it did, it was ultimately reliant on the information Mr S provided. In the circumstances, I would not have expected Revolut to freeze Mr S' account or apply undue friction to his payments. While I think Revolut had reason to ask Mr S questions about his payments and provide him with warnings that were tailored to what it understood the payments related to, I don't think Revolut needed to do more than that.

Considering the way Mr S responded to Revolut's other interventions, I think it's most likely that had Revolut asked him further probing questions about his payment he would have relayed the questions to the scammer for help answering them. In turn, I think it's most likely the scammer would have advised Mr S to provide an answer that disguised the true purpose and intent of the payment so that they would be processed without further scrutiny.

In the circumstances, I'm not persuaded that proportionate intervention from Revolut would more likely than not have uncovered the scam or resulted in Mr S choosing not to go ahead with his payments.

I've also considered whether, on being alerted to the scam, Revolut could reasonably have done anything more to recover Mr S' losses, but I don't think it could.

In respect of the transfers, Revolut has provided evidence that it contacted the beneficiary accounts when it was notified of the scam to request the return of any remaining funds. Unfortunately, it was later informed that only £150 remained in one of the accounts, which has been returned to Mr S, the other accounts had no funds remaining. I'm satisfied Revolut did all it was required to do here.

In respect of the card payments the only route of recovery would have been via a chargeback claim, and I can't see that it would have had any chance of success. The recipients of Mr S' payments were genuine merchants (money remittance firms and a crypto exchange) which had carried out the services they had been instructed to perform. As such, any chargeback would have been successfully defended. So, I think Revolut acted fairly in not pursuing a chargeback claim. Lastly, there is no mechanism to recover funds sent via Push to Card payments, so again I don't think there was anything further Revolut could do to recover these payments.

In conclusion, I have a great deal of sympathy with Mr S being the victim of what was clearly a cruel scam where scammers employed a number of social engineering techniques to influence his actions and decision making. But it would only be fair for me to direct Revolut to refund his losses if I thought it was responsible for them, and for the reasons I have explained above, I'm not persuaded it was.

My final decision

For the reasons given above, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 11 September 2025.

Lisa De Noronha
Ombudsman