DRN-5783501

Financial Ombudsman Service

The complaint

Mrs B complains that Revolut Ltd hasn't protected her from losing money to a scam.

What happened

The background to this complaint is well known to both parties, so I won't repeat everything here. In brief summary, Mrs B has explained that between June and October 2023 she made numerous card payments totalling over £25,000 from her Revolut account as a result of an investment scam. Revolut didn't reimburse Mrs B's lost funds, and Mrs 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 and I emailed Mrs B's representative recently to explain my intended decision. Now that the parties have had fair opportunity to respond, I'm now 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, I've decided to not uphold this complaint.

I don't doubt Mrs B has been the victim of a scam here. She has my sympathy. Ultimately, however, Mrs 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 Mrs B her loss (or part of it) if I thought Revolut reasonably ought to have been expected to have been able to prevent Mrs B's loss.

It isn't in dispute that Mrs B authorised the transactions in question. She is therefore presumed liable for the loss 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 lookout for the possibility of fraud and made additional checks before processing payments in some circumstances.

Given what Revolut ought to have known about the prevalence of cryptocurrency scams in 2023, I would expect Revolut to have recognised that transactions associated with cryptocurrency carried an elevated risk of being linked to fraud or a scam. Nevertheless, I agree with what our Investigator said about Mrs B's first 19 payments. Not all payments made to cryptocurrency providers are made as a result of fraud. And there's a balance to be struck between identifying payments that could potentially be fraudulent and proportionately intervening in them, and minimising disruption to legitimate payments (allowing customers ready access to their funds). And I don't think I can say the first 19 payments, taken individually or collectively taking into account their respective amounts, spacing and cadence, were such that I'd reasonably expect Revolut to have intervened in them or done anything differently to what it actually did.

I do think, however, that Mrs B's twentieth payment which on 1 August 2023, being as it was for £3,096 to a known cryptocurrency provider, and bearing in mind what I've said about what Revolut ought to have understood about transactions associated with cryptocurrency, that Revolut ought to have proportionately intervened in this payment by asking Mrs B some questions about the payment to identify the specific scam risk and then, consequently, shown her tailored written warnings specifically about cryptocurrency investment scams, tackling some of their key features.

Unfortunately for Mrs B, however, in this case, I'm not persuaded any such proportionate intervention from Revolut in this instance most likely would have stopped Mrs B from ultimately proceeding with the payments that she did to the scammers. I say this because having reviewed the communications exchanged between Mrs B and the scammers, it is evident that Mrs B was already, by as early in her journey of payments as on 12 June 2023, messaging the scammers saying she wouldn't be sending any more money as they were coming up as a scam site. On 28 June 2023 she also wrote "Look I'm not interest it's all a scam". But it seems that unfortunately the scammers were able to somehow continue to persuade Mrs B to continue making further payments despite this.

I've thought about the possibility that warnings from Revolut could still have made the difference. But I'm not persuaded they most likely would have done. It's not that Mrs B didn't suspect the company was a scam by the time she made these later payments, it's just that the scammers were able to trick her into making more payments regardless, and I see no reason if Revolut had warned Mrs B that she was being scammed, why this most likely wouldn't have happened anyway.

We've also received recordings of calls Lloyds had with Mrs B on both 30 June 2023 and 4 July 2023. From these calls, it's clear Mrs B had already reported to Lloyds that she'd been scammed but she continued making payments regardless. Lloyds warned her about scams, Mrs B wasn't upfront that her Revolut account had also been used for the scam, and it seems clear to me from the content of these calls that I couldn't reasonably say proportionate intervention from Revolut would ever have been likely, unfortunately, to prevent Mrs B proceeding anyway, bearing in mind what she had already discussed with Lloyds and what I've said above.

I'm not persuaded there were any prospects of Revolut successfully recovering the funds, given the money was used to purchase cryptocurrency from legitimate providers and was then sent on and lost to the scammers.

I'm sorry Mrs B was scammed and lost this money. But 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 been able to prevent Mrs B's loss.

My final decision

For the reasons explained, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 26 September 2025.

Neil Bridge
Ombudsman