

The complaint

Ms M complains that Revolut Ltd (“Revolut”) won’t refund over £148,000 she lost to an investment scam in February 2022.

The details of this complaint are well known to both parties so I won’t repeat everything again here. Instead, I will focus on giving the reasons for my 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 agree with the conclusions reached by the investigator for the following reasons:

- It isn’t in dispute that Ms M authorised the disputed payments she made to her cryptocurrency wallet using her Revolut debit card (where her funds were subsequently transferred on to the scammers). The payments were requested using her legitimate security credentials provided by Revolut, and the starting position is that banks ought to follow the instructions given by their customers in order for legitimate payments to be made as instructed.
- However, I’ve considered whether Revolut should have done more to prevent Ms M from falling victim to the scam, as there are some situations in which a firm should reasonably have had a closer look at the circumstances surrounding a particular payment. For example, if it was particularly out of character.
- I’m satisfied there was enough unusual activity here to have given Revolut cause for concern that Ms M was potentially at risk of financial harm. The £6,095.78 payment she made on 13 February 2022 marked a significant increase in spending for her account. But even if this wasn’t unusual, I think at the very least Revolut should have intervened by the time Ms M attempted a third payment to the crypto platform on 13 February 2022. This took her daily spend to over £10,000 and Revolut will be aware that multiple payments made in quick succession can often be indicative of fraud.
- However, even if Revolut *had* intervened at this point and asked further questions through its in-app chat about the nature of the payments Ms M was making, I’m not persuaded it would have likely stopped her from proceeding or have ultimately prevented her loss. I say this because Ms M had been coached to by the scammer to lie about the purpose of the payment if she was questioned about it. Indeed, I can see that she did in fact give false information to another of her banks in relation to the same scam, when she was questioned by it on 1 March 2022, as she said she hadn’t been contacted by anyone with regards to an investment. Ms M had also given false reasons to two different lenders to obtain loans in order to fund the investment.
- So, overall, even if Revolut *did* intervene and carry out further enquiries before allowing any more payments to be made, I’m not persuaded this would have likely revealed that

Ms M was falling for a scam or ultimately prevented her loss. Therefore, I don't think its failure to intervene can be considered the proximate cause of Ms M's loss in these circumstances, as it seems likely she would have provided false information in order to make the payments, as she did when questioned by her other bank. As such, I don't consider it would be fair and reasonable to hold Revolut liable for failing to prevent the scam.

- I note that Ms M's representatives have said she was vulnerable at the time of the scam. But while I appreciate she may have been going through a difficult time, I don't consider her circumstances amount to her being vulnerable, or that Revolut would have been aware of her circumstances either. Revolut's duty first and foremost is to execute transactions at the request of its customers. And given there was nothing to put it on notice that Ms M was vulnerable or lacked capacity to make her own financial decisions, I don't think it was under any obligation to put extra measures in place as a result.

I appreciate this will likely come as a disappointment to Ms M, and I'm sorry to hear she has been the victim of a cruel scam. However, I'm not persuaded Revolut can fairly or reasonably be held liable for her loss in these circumstances.

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 Ms M to accept or reject my decision before 14 December 2023.

Jack Ferris
Ombudsman