

The complaint

Mr I complains that Revolut Ltd (“Revolut”) has failed to refund over £15,000 he lost to an investment scam.

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 Mr I authorised the transactions he made from his Revolut account as part of the scam, nor that some of those payments were considered unusual given they were flagged to Revolut and prompted it to issue warnings/ask further questions through its in-app chat. So, I’ve therefore focused on the extent of Revolut’s intervention and whether it could’ve reasonably done anything more to prevent the scam.
- When Mr I made the payment of £7,000 on 2 November 2022, he selected the payment purpose as “Transfer to safe account”. At this point, Revolut provided a written warning about safe account scams. But even if it ought to have done more, such as declining the transaction until it could speak to Mr I about these sorts of scams, the payment was subsequently returned to the account in any event. So, Mr I hasn’t suffered a loss as a result of Revolut failing to act appropriately here. In any event, even if Revolut had spoken to Mr I about the risks of safe account scams, this wasn’t the reason he was making the payment anyway, so it seems unlikely that any further questioning along these lines would have led him to believe he was being scammed.
- Revolut also intervened in relation to the £6,900 payment Mr I made on 3 November 2022, where it asked him whether he had been asked to install any apps such as AnyDesk, or had received any assistance in setting up his investment account. Mr I said he initially answered “yes” to this question through the in-app chat, but then changed it to “No” after being told to do so by the scammer. However, there is no indication of this in the chat history provided by Revolut; it simply shows that Mr I incorrectly answered “No” to these questions. Therefore, I don’t think Revolut ought reasonably to have had further cause for concern. And even if it had probed further, it seems unlikely that Mr I would’ve been upfront with what he was doing, as he was being told what to say by the scammer throughout his interaction with Revolut.
- Therefore, even if I were to accept that Revolut ought to have done more, I don’t think its failure to probe further could reasonably be considered as the proximate cause of Mr I’s loss in these circumstances, as it seems likely he would have given misleading information and proceeded to make the transactions irrespective of any intervention.

- I've also thought about whether Revolut did enough to try and recover the funds after the fraud was reported. However, there wouldn't have been any successful prospect of a chargeback for the debit card payment Mr I made to the crypto provider, as he would've received the services he paid for. In terms of the faster payments, Revolut attempted to recover the funds but was told that the money had already been moved from the receiving accounts prior to the fraud being reported. Therefore, I'm not persuaded it could have reasonably done anything more to recover Mr I's funds in these circumstances.

I appreciate this will likely come as a disappointment to Mr I, and I'm sorry to hear he has been the victim of a cruel scam. However, I'm not persuaded that Revolut can fairly or reasonably be held liable for his 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 Mr I to accept or reject my decision before 28 September 2023.

Jack Ferris
Ombudsman