

The complaint

Miss M complains that Revolut Ltd didn't do enough to prevent her losing money to a scam.

Miss M has used a representative to bring her complaint. But, for ease of reading, I'll mostly just refer to Miss M herself.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here. In June 2022 Miss M was the victim of a scam. She was contacted by someone pretending to be from a well-known online retailer. She was told that her account had been hacked and that someone was making purchases.

Miss M was convinced by the scammer and followed the instructions she was provided. Ultimately, she opened an account with Revolut being told that this was a process through which she would be reimbursed. She then made two transfers from her existing bank account with 'N' to the newly set up Revolut account, each for £1,499. Miss M then made two payments for corresponding amounts which left Revolut and presumably went to an account controlled by the scammer.

Miss M was also instructed to open another account with Revolut. And this time she transferred £1,499 and £270 into it from her account with N before again sending the same amounts out to another different account. All of this activity took place on 25 June 2022. Miss M also closed the initial Revolut account upon the instructions of the scammer.

Later the same day Miss M realised she may have been scammed and reported this to Revolut. Revolut declined to offer any redress and the matter was later referred to our service. One of our Investigators didn't recommend that the complaint should be upheld. In summary he didn't think the activity on either account was so unusual that Revolut ought to have done more. Miss M disagreed and asked for an Ombudsman to review her complaint.

In October 2023 I issued a provisional decision in which I said:

"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 reached the same overall outcome as our Investigator. But as we didn't previously address Revolut's recovery efforts, I'm issuing this provisional decision to give everyone a further opportunity to comment. I know this will be disappointing for Miss M, so I'll explain why.

Revolut should look out for unusual, suspicious or out of character transactions with a view to protecting their customers from fraud and scams. In this case, each account was newly opened meaning there was no prior activity to compare against. And I don't think the pattern of payments made as a result of the scam was so suspicious or indicative of fraud that I'd have expected Revolut to have done more than they did before processing them.

I also don't think that Miss M opening more than one account with Revolut on the same day was something that impacts the outcome of this complaint. It's a decision for Revolut as to how many accounts they will let a customer hold. Generally, I'd expect Revolut to monitor each of their accounts on an individual basis. But even if I were to consider all the activity as if it had taken place on one account, this wouldn't change my mind as to whether Revolut ought to have done more.

Upon receipt of Miss M's notification, Revolut promptly notified the beneficiary bank for one of the recipients she had paid and unfortunately this didn't result in a recovery. I think Revolut could have identified that Miss M had opened and closed another account (during their online chat with her). But on balance, I don't think this has made a difference as its most likely that funds would have similarly been moved on from the other recipient account that she'd paid too. It is a common feature of scams such as this that money is promptly moved on. And as the scammers in this case moved money on from one account, this means I think its most likely the funds from the second recipient account were similarly moved on quickly in such a way that recovery wouldn't have been possible. So I don't think Revolut are responsible for failures regarding their recovery efforts which impacted whether anything could be returned.

I'm sorry Miss M lost her money to a cruel scam. But as this isn't something I think Revolut reasonably could or should have prevented, there isn't a reasonable basis upon which I can require them to do more to resolve this complaint."

Revolut responded and said they had nothing further to add. Miss M didn't respond to my provisional 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.

As neither party had any further evidence or comments for my consideration, I see no reason to deviate from the outcome explained in my provisional decision.

My final decision

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 7 December 2023.

Richard Annandale
Ombudsman