

The complaint

Miss O complains that Revolut Ltd ('Revolut') hasn't refunded her after she fell victim to a scam.

What happened

Miss O says that she was looking for a job when she saw an advert for a customer service role and completed an application. She was contacted by someone who explained that the role involved promoting newly listed products on an online platform. Miss O was then added to group chats and told that she would earn commission but that she needed to deposit funds to create a transaction record between buyers and sellers.

Miss O was initially able to withdraw her profit but was then told she needed to deposit funds to complete the required tasks before she could make a withdrawal. She later received a message from someone who said she'd been scammed.

I have set out in the table below the scam payments Miss O made. When making the payments, Miss O followed the scammer's instructions to "*transfer to card*" to an individual's card details.

Date	Amount
13/04/23	£100
13/05/23	£100
13/05/23	£59.59
13/05/23	£47.47
13/05/23	£202.00
13/05/23	£101
14/05/23	£244.42
14/05/23	£101
20/05/23	£797.90
20/05/23	£1,417.03
21/05/23	£80
TOTAL	£3,250.41 less returns

Miss O reported what had happened to Revolut on 24 May 2023. Revolut said it fulfilled its duty to protect Miss O by providing warnings. Unhappy with Revolut's response, Miss O brought a complaint to this service.

Our investigation so far

The investigator who considered this complaint didn't recommend that it be upheld. She said the scam payments weren't so unusual that Revolut should have intervened when they were made and that as they were card payments there was nothing it could do to recover Miss O's funds.

Miss O didn't agree with the investigator's findings and asked for a final decision, so her complaint has been passed to me.

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.

I'm sorry to hear Miss O was the victim of a scam and of the impact the scam has had on her. I can understand why she wants to do all she can to recover the money she lost. But I can only direct Revolut to refund Miss O's losses if it can fairly and reasonably be held responsible for them.

I'm satisfied Miss O authorised the scam payments from her existing Revolut account. Although she didn't intend the money to go to the scammer, under the Payment Services Regulations and the terms and conditions of her account, Miss O is presumed to be liable for her loss in the first instance. And under the terms and conditions of the account Miss O held with Revolut, where a valid payment instruction has been received, Revolut's obligation is to follow the instructions that Miss O provides.

But, taking into account the law, regulatory rules and guidance, relevant codes of practice and good industry practice, there are circumstances where it might be appropriate for Revolut as an electronic money institute ('EMI') to take additional steps or make additional checks before processing a payment in order to help protect its customer from the possibility of financial harm from fraud.

In this case, I don't consider Revolut acted unfairly or unreasonably in allowing the payments to be made and will explain why.

I've reviewed the transactions Miss O made on her account from when it was opened in February 2023. I can see that prior to the scam Miss O had made payments of up to £300. In the circumstances, nearly all the scam transactions were very much in line with her normal spending on the account.

There were two larger transactions on 20 May 2023. Although I recognise the combined value of these transactions was a lot of money for Miss O to lose and that she had borrowed funds, I'm not satisfied the payments were so unusual and out of character that Revolut should have intervened to ask Miss O questions about them. The amount of each transaction was still relatively low. There's also a balance to be struck; banks and EMIs (like Revolut) have obligations to be alert to fraud and scams and to act in their customers' best interests, but they can't be involved in every transaction as this would cause unnecessary disruption to legitimate payments.

I'm also satisfied that there was nothing Revolut could do to recover Miss O's funds given the method of payment used.

Whilst I'm sorry that Miss O has been duped to transfer funds to cruel scammers, I can't fairly hold Revolut responsible for her loss.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss O to accept or reject my decision before 15 November 2023.

Jay Hadfield
Ombudsman