

The complaint

Mr R complains about Revolut Ltd. He says that Revolut didn't do enough to protect him when he became the victim of a scam and would like Revolut to refund him the money he has lost.

What happened

Mr R says he was recommended a Revolut account by friends in September 2022 as being a good account for sending money overseas.

Shortly after, Mr R came across an advert on Facebook for investing in cryptocurrency. Mr R says that as the advert was on Facebook, he trusted that it was a legitimate business. He didn't conduct any further checks as he didn't think that a scam company would be able to advertise on the platform.

Mr R responded to the advert and received a phone call. He was asked to provide identification with further convinced him he was dealing with a legitimate business.

Mr R was instructed to download Anydesk so he could be shown how to use the investment platform provided by the investment company. Mr R says that he was told that he needed to be present on the platform regularly to make the most profit. He explained that this wasn't possible due to work commitments – so it was agreed that Mr R would allow access to his device to invest on his behalf.

However, Mr R says that this was taken advantage of, more money than he wanted had been invested – and loans were taken out in his name. Mr R confronted the business which became hostile and then cut contact. It was at this point that he realised he had been the victim of a scam.

Mr R made the following payments from his Revolut account.

Date	Payee	Amount	Payment method
24/08/2022	Binance	£4,999	Card
24/09/2022	Cex.io	£2740.84	Card
24/09/2022	Cex.io	£2,131.77	Card
26/09/2022	Cex.io	£4,263.53	Card
26/09/2022	Guardarian	£3,000	Card
27/09/2022	Binance	£2,200	Card
28/09/2022	Binance	£4,900	Card

28/09/2022	Binance	£4,900	Card
28/09/2022	Binance	£4,850	Card
29/09/2022	Binance	£220	Card
29/09/2022	Binance	£5,000	Card
29/09/2022	Binance	£4,500	Card
		Total	£43,705.14

Mr R complained to Revolut, but it didn't uphold his complaint, He then brought his complaint to this service, and it was considered by our investigator.

Our investigator didn't think that the complaint should be upheld – they said that while Revolut should have intervened with the payments, they were not persuaded that an intervention would have prevented the loss.

Mr R asked for an ombudsman to consider his complaint, so it has been passed to me to make a 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 not to uphold this complaint for broadly the same reasons as our investigator. I know that this will be disappointing for Mr R. It is clear he has fallen victim to a cruel scam, however, this doesn't automatically mean that he is due a refund of the money he has lost from Revolut.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider having been good industry practice at the time.

In broad terms, the starting position at law is that a bank is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (PSR's) and the terms and conditions of the customer's account. And I have taken that into account.

Mr R says most of the payments were made by the scammers themselves and were not what had been agreed – but this doesn't mean that he didn't authorise them as it's also possible to provide consent for someone to act on your behalf. So, while Mr R never intended his money to be lost as part of a scam, I'm satisfied that the payments were authorised – however, this isn't the end of the story.

Taking into account the law, regulator's rules and guidance, relevant codes of practice and what I consider having been good industry practice at the time, I consider Revolut should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks, including anti-money laundering, countering the financing of terrorism, and preventing fraud and scams.
- Have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which banks are generally more familiar with than the average customer.
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or make additional checks, before processing a payment, or in some cases declined to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.

In this case, I need to decide whether Revolut acted fairly and reasonably in its dealings with Mr R when he authorised payments from his account or whether it could and should have done more before processing them.

Having looked at the transactions on Mr R's account, I think that Revolut should have had some concerns about what was happening and should have contacted Mr R to check that all was in order.

However, for me to uphold Mr R's complaint, I would also have to find that such an intervention would have made a difference, and I'm afraid that I don't think that it would.

This is because Mr R began the process of sending funds to the scammers with his other bank, HSBC – and HSBC *did* have intervene when the payments were made.

HSBC has provided copies of the calls it had with Mr R when he was moving his money to Revolut as part of the scam which I have listened to. During these calls, HSBC questioned Mr R about what he was doing. Unfortunately, Mr R wasn't truthful in answering the questions HSBC asked him – such as if anyone else was involved or asking him to make the payments – and if he had been asked to lie to his bank by anyone.

But in fact, Mr R was being coached and told what to say – and that he should move money regularly between his account with HSBC and Revolut to make the transfers look less suspicious. I don't know why Mr R didn't divulge this to HSBC – it seems that he was under the spell of the scammer – and had he done so I think that the scam would quickly have been uncovered.

So, while it wasn't Revolut that questioned Mr R, I do think this shows that Mr R was willing to conceal what was really going on – and was determined to make these payments. I also think that had Revolut made a further intervention, that it's very likely that Mr R would have gone on to conceal what he was doing again.

I also note that after Mr R reported the scam to Revolut, it helped him remove Anydesk and provided him with new login details. However, Mr R further responded to an email sent to him and continued to fund his account with Binance after this time. I know that Mr R says that the scammers did this - so either this isn't the case and Mr R made these payments himself, or Mr R allowed the scammers access to his details again.

So, taking all of this into account, I'm not persuaded that Mr R would've divulged any further information to Revolut that could have uncovered the scam – and that he was determined to make the payments.

I am very sorry for the situation that Mr R now finds himself in – he has been the victim of a cruel scam – and I understand that he is now under a lot of financial pressure. However, this has been caused by the scammers themselves, not Revolut.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 8 March 2024.

Claire Pugh
Ombudsman