

The complaint

Mr I complains that Revolut Ltd (“Revolut”) won’t refund over £1,200 he lost to a safe-account scam in September 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 Mr I authorised the disputed payments he made from his Revolut account to the scammer. I appreciate he was tricked into sending these payments thinking he was moving his money to a safe account. But that doesn’t mean the payments wouldn’t be considered as authorised. The transfers were requested using his legitimate security credentials provided by Revolut, and the starting position is that firms 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 Mr I 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 transfer. For example, if it was particularly suspicious or out of character.
- I appreciate that overall, Mr I has lost over £1,200. But this amount wasn’t paid in one large or ‘out of character’ transaction. It was spread over two separate smaller increments which, in my judgment, would not have appeared particularly unusual or indicative of a heightened risk of financial harm. The Confirmation of Payee system also showed a match. So, I don’t think there was any reasonable cause for Revolut have made any further enquiries with Mr I about the payments in these circumstances.
- Revolut said that it did also provide Mr I with warnings when he made the first payment of £599.60 to the new payee that had been set up on his account, asking if he knew and trusted the payee. Revolut also asked Mr I to select a reason for the payment, to which he chose “*something else*” instead of “*Transfer to a safe account*” which was the actual reason for the payment. Revolut therefore provided a generic scam warning, which I think was proportionate to the risk presented in these circumstances.
- If Mr I had chosen “*Transfer to a safe account*,” then I accept it would’ve been incumbent on Revolut to take further action, as it would’ve been on notice that he was likely being scammed. But as this wasn’t chosen, I’m not persuaded Revolut needed to do anything further. It didn’t provide any warnings for the second payment, but given it was going to the same payee and was relatively modest in value, I don’t think any further warnings

were necessary.

- It isn't clear whether Revolut took any action to seek to recover the payments after Mr I reported the fraud. But given he didn't report the transactions until some months after the money had left his account, it seems highly unlikely any funds would have remained in the beneficiary accounts, which are typically moved out quite swiftly in scams such as these. So, I'm not persuaded there was anything more Revolut could've done to recover the money either.

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, in the circumstances, I do not consider it would be fair and reasonable to hold Revolut liable for his loss.

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 6 May 2024.

Jack Ferris
Ombudsman