

## **Complaint**

Ms B is unhappy that Revolut Ltd didn't do more to protect her when she fell victim to a scam.

## **Background**

In early 2023, Ms B was looking for employment opportunities. A digital marketing agency contacted her and offered her an opportunity. This was apparently a part-time role and one that she could do remotely. Unfortunately, this wasn't an offer of work from a genuine business, but a scam.

Ms B was asked to carry out tasks on the agency's online platform. However, in order to participate she was required to make transfers to the company because she was told her account had a cash balance that needed to be maintained. She used her Revolut account to transfer £3,300 to four different payees in a three day period. As I understand it, she did this in the sincere belief that she would eventually be able to withdraw her earnings at a later date. When she asked to withdraw her earnings, she was told that she'd need to make a substantial tax payment. At this point, she realised that she must have fallen victim to a scam.

She contacted Revolut to let it know what had happened. It looked into things, but it didn't agree to reimburse her. It said it had displayed warnings that should've prevented her from making the payments. It also said it had taken all reasonable steps to recover her money from the receiving accounts but that it hadn't been able to do so.

Ms B wasn't happy with the response she received from Revolut and so she referred her complaint to this service. It was looked at by an Investigator who didn't uphold it. She said that, while it was clear that Ms B had fallen victim to a scam, Revolut couldn't realistically have identified that at the time.

Ms B didn't agree with the Investigator's view and so the complaint has been passed to me to consider and come to a final decision.

## **Findings**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

In broad terms, the starting position at law is that a firm is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account. However, that isn't the end of the story. Good industry practice required that Revolut be on the lookout for payments that were out of character or unusual to the extent that they might have indicated a fraud risk.

Where it did have grounds to be concerned about a payment, I think it should reasonably have taken steps to warn its customer about the risk of proceeding. Whether a warning

should be provided (and, if it should, the nature and extent of that warning) should be proportionate to the risk the payment presents and strike a balance between trying to protect customers and not unduly inconveniencing them. I must also take into account that applying significant friction to all payments would be very onerous and impractical for Revolut.

We now know with the benefit of hindsight that Ms B had been targeted by a fraudster. However, the question I have to consider is whether Revolut ought to have been able to identify that risk given what it knew at the time. I've carefully considered that point and I'm afraid I'm not convinced it would've had any reasonable grounds for thinking any of the activity on Ms B's account was unusual or out of character.

The individual payments weren't so large that they ought to have attracted Revolut's attention. And since Ms B had opened up her account as part of the scam, it didn't have any historic payment data to consider and so couldn't have known what her typical spending patterns were or used them as a basis of comparison when looking for potentially fraudulent payments.

For completeness, I've also considered whether it did everything it should've done once it was notified that Ms B had fallen victim to a scam. When that happens, I'd expect it to make prompt contact with the receiving bank – i.e. the bank that operates the account controlled by the fraudster – in an attempt to recover Ms B's money. I can see that it did so here but unfortunately those funds had already been moved on and so no recovery was possible.

I don't say any of this to downplay or diminish the fact that Ms B has fallen victim to a cruel and cynical scam. I have a great deal of sympathy for her and the position she's found herself in. However, my role is limited to looking at the actions and inactions of the business and I'm satisfied it didn't do anything wrong here.

### **Final decision**

For the reasons I've explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms B to accept or reject my decision before 11 January 2024.

James Kimmitt  
**Ombudsman**