

The complaint

Miss P complains that Revolut Ltd did not refund a series of payments she lost to a scam.

What happened

Miss P was contacted by an individual who gave her a job opportunity. She was able to work remotely and would have to finish a set number of tasks before she could withdraw her salary and any commission. The job also required her to deposit funds to the company via cryptocurrency every now and again, which Miss P did. Miss P made a series of transactions between January and September 2023 ranging from around £15 to £550, mostly to a cryptocurrency wallet. Eventually, Miss P was asked to keep sending more money to withdraw her salary and realised she had been the victim of a scam.

Miss P raised a scam claim with Revolut, who explained that they could not carry out a chargeback request for the transactions in question. This is because Miss P authorised the transactions herself and received a service. Miss P was unhappy with this outcome and referred the complaint to our service.

Our Investigator looked into the complaint and felt that the payments themselves were not so unusual or suspicious that they warranted intervention from Revolut before they were processed. So, they did not agree that a refund was due in the circumstances.

Miss P did not agree and felt she should be reimbursed as she had been the victim of a scam. As an informal agreement could not be reached, the complaint has been passed to me for 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.

It is not in dispute that Miss P has been the victim of a cruel scam, designed to target those in need of additional funds and I'm sorry she's had to experience this.

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 to be good industry practice at the time.

Broadly speaking, the starting position in law is that an account provider is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the terms and conditions of the account. And a customer will then be responsible for the transactions that they have authorised.

It's not in dispute here that Miss P authorised the payments as she believed they were part of a legitimate job opportunity. So, while I recognise that she didn't intend the money to go to scammers, the starting position in law is that Revolut was obliged to follow Miss P's

instruction and process the payments. Because of this, she is not automatically entitled to a refund.

The regulatory landscape, along with good industry practice, also sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victims to scams. So, I've also thought about whether Revolut did enough to try to keep Miss P's account safe.

I've reviewed Miss P's statements and compared the scam payments to her genuine account activity. Having done so, I just don't think the scam payments were so unusual or high value to have warranted intervention by Revolut prior to them being processed. They were spread out over a long period of time and while payments relayed to cryptocurrency can be riskier, in this case I don't think the payments were suspicious enough to have triggered Revolut's fraud systems. So, I don't think Revolut missed an opportunity to intervene in the payments and reveal the scam.

Revolut has correctly declined the chargeback claim that Miss P raised so I don't think they made an error. A chargeback is a voluntary scheme to settle disputes between consumers and merchants, and there is no guarantee of success. In this case, the merchants involved provided a legitimate service, so there would be no relevant chargeback claim in the circumstances.

I'm sorry that Miss P has been the victim of a cruel scam and has lost money as a result – but this is the fault of the scammers themselves, and I can't ask Revolut to refund her when I don't think it has done anything wrong in the circumstances.

My final decision

I do not uphold Miss P's complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 25 April 2024.

Rebecca Norris
Ombudsman