

## **The complaint**

Miss H complains about the actions of Revolut Ltd when she lost money to a scam.

Miss H is being represented by a claims management company but for ease of reading I'll only refer to Miss H in the decision.

## **What happened**

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

In December 2022 Miss H received a message from a merchant on her phone about a job opportunity. After checking a genuine recruitment website and seeing the same job advert, Miss H thought the message she'd received was genuine. After further discussions with the merchant Miss H agreed to start sending money to the merchant via crypto currency platforms. In total she sent £21,700 across seven transactions from 25 December 2022 to 03 January 2023.

The fourth payment Miss H made of £2,875 was flagged by Revolut as suspicious. After Miss H was asked to flag a payment purpose she said 'Payment for Goods or services.' Revolut then questioned Miss H further about the payment and Miss H said she was purchasing car parts at the request of the merchant. After asking her further questions the payment was sent. Miss H then went on to make three larger payments of £4,800, £7,950 and £5,100. Miss H says she doesn't remember any of those further payments being stopped and questioned by Revolut. But Revolut says it did stop the £4,800 payment. Revolut says Miss H decided to make the payment after it provided warnings to her.

Miss H says she realised she had been scammed when the merchant started to become very aggressive towards her demanding she pay more money into its accounts. So, she contacted Revolut who investigated her claim. But Revolut said it wouldn't offer Miss H a refund as it hadn't done anything wrong here. So, Miss H brought her complaint to this service.

Our investigator didn't think the complaint should be upheld. He said Revolut did stop two payments and asked questions of Miss H but she wasn't truthful with her reasons for making the payments. So, he said Miss H, who was being coached by the scammers, would've likely ignored any further interventions by Revolut. And he didn't think there was sufficient information available to Revolut to refuse to make the payments Miss H was making.

Miss H disagreed and has asked for an Ombudsman's review. She said that Revolut should've done more to stop the scam and noticed that Miss H was likely being coached by scammers. Instead Revolut gave generic scam warnings. She says if Revolut had done more, the scam would've been uncovered.

## **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 reached the same conclusion as our investigator. And for largely the same reasons. I'm sorry to hear that Miss H has been the victim of a cruel scam. I know she feels strongly about this complaint and this will come as a disappointment to her, so I'll explain why.

I've read and considered the whole file. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome.

It is common ground that Miss H authorised the scam payments of around £21,700. I accept that these were authorised payments even though Miss H was the victim of a scam. So, although it wasn't her intention to pay money to the scammers, under the Payment Services Regulations 2017 (PSRs) and the terms of her account, Miss H is presumed liable for the loss in the first instance.

However, 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 to take additional steps or make additional checks before processing a payment in order to help protect customers from the possibility of financial harm from fraud.

Revolut's first obligation is to follow the instructions that Miss H provides. But if those instructions are sufficiently unusual or uncharacteristic for the account, I'd expect Revolut to intervene and to ask their customer more about the intended transaction before processing it. I'd also expect Revolut to provide suitable warnings about common scams to help their customers make an informed decision as to whether to continue with the payment. There might also be cases where it's appropriate for Revolut to refuse to follow the instruction if there are good grounds to believe it is being made as a result of a fraud or scam.

Here Revolut felt the £2,875 and £4,800 payments were unusual enough for it to stop the payments and ask Miss H more questions. I think at this point Revolut was right to stop these payments and to find out why they were being made. The main issue with this complaint is whether Revolut asked enough probing questions of Miss H and/or whether it should've refused the payments that Miss H was asking it to make.

Miss H told Revolut that she was buying car parts and had been given the details by the local garage she was using. Miss H has confirmed to this service that she was instructed to say this to Revolut by the scammers. I've also seen that Revolut provided a warning about scammers telling consumers to ignore warnings (which the scammer had done) and that if she was told to ignore warnings then she was being scammed. I believe it's at this point that Miss H should've realised that something wasn't right and that she was being given conflicting information between the scammers and Revolut. I think the warning was clear and even though it wasn't about job scams this was only because Miss H hadn't been truthful about the reason why she was making the payments.

Overall, I'm satisfied Revolut responded reasonably to the information that it was being given. And I don't agree with Miss H that there was enough here for Revolut to realise that she wasn't being truthful or that she was most likely being coached to avoid its warnings and questions so that it should've refused to make the payments.

So, when the last two larger payments were sent Miss H had established a pattern of spending on her account. And I'm not satisfied that Revolut providing any further fraud and scams warning to Miss H would've made a difference. It's clear that Miss H was under the

influence of the scammers throughout the scam. Even to the point where she wasn't truthful with Revolut, at the request of the scammers, about why she was making the payments.

As a result, I don't think any of the later payments were so unusual or out of character that it's reasonable to have expected Revolut to have intervened further in these payments. And even if it had I'm not satisfied any further intervention would've made a difference here for the reasons I've explained above.

I appreciate this will come as a disappointment to Miss H, and I'm sorry to hear she has been the victim of a cruel scam. However, I'm not persuaded that Revolut can fairly or reasonably be held liable for her loss in these circumstances.

### **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 Miss H to accept or reject my decision before 12 April 2024.

Mark Dobson  
**Ombudsman**