

The complaint

Mr G complains that Revolut Ltd did not refund a transfer of £649 that he says he did not authorise.

What happened

All parties are aware of the details of the case, so I won't repeat them in detail here. In summary, Mr G says his mobile phone was snatched from his hand in the early hours of 24 December 2022. He says that the thief was able to gain access to his Revolut app and transfer all of his funds out totalling £649. Revolut investigated and could find no evidence of an account takeover, so did not uphold his claim.

Mr G referred the complaint to our service. Our Investigator looked into it and felt that Revolut had reasonably concluded the transfer was more likely authorised by him. Mr G did not agree with this, so the complaint was passed to me for a decision. I issued a provisional decision which read as follows:

Generally, Revolut is able to hold Mr G liable for the disputed transaction if the evidence suggests it's more likely than not that he made or authorised it himself. This position is confirmed in the Payment Service Regulations 2017 (PSRs) and the terms and conditions of his account.

From the evidence provided by Revolut, the transfer was made using the app on Mr G's device. While this is important, it isn't enough on its own to say Mr G is liable for the transaction. Revolut also has to show it's more likely than not that Mr G himself made or otherwise authorised the transaction.

In order for an individual to access Mr G's Revolut app, they would either need to use biometrics, in this case face ID, or a four-digit PIN code. Mr G has said he did not have his phone as it had been stolen, and the fraudster changed the password to the app to gain access. However, Revolut has provided evidence to show the password was only changed after Mr G made them aware of the disputed transaction and he was advised to change it. Mr G has also suggested a reminder of the password could have been requested, but looking at Revolut's log for that day, I can't see any evidence of this.

Revolut has also provided evidence to show biometrics were used to gain access to Mr G's app at 5:25am and 7:41am, both of which are after Mr G says his phone was stolen. He has mentioned to our service that the fraudster may have reset the device's face ID and I've considered this. Face ID was used to log into Mr G's app at 7:41am, and this is one minute prior to Mr G logging in via the tablet, which he used to talk with the Revolut team in the chat. Revolut has said that in order to log in using the tablet, the phone number associated with the account on the app needed to be used. Considering this, Revolut's decision that it is more likely Mr G accessed the account himself using biometrics seems reasonable to me, as the timing of the biometrics and the tablet being used makes this feel more likely.

I appreciate Mr G's comments that he feels a third party trying to access the account is evidence of the fraud. While this can indicate an attempt at fraud, it does not evidence that a

third party was able to access Mr G's account in order to make the transfer. Similarly, the failed payment to a merchant after Mr G alerted Revolut to the disputed transaction due to a lack of funds also does not explain how the account was compromised.

I've also considered Mr G's comments that Revolut should have flagged the payment as potentially fraudulent, and I agree that Revolut has a basic duty of care to its customers to ensure they are protected against unusual account activity. Having reviewed Mr G's normal account activity, I don't think the fact it was a transfer out of most of the balance would be enough on its own to indicate unusual activity. And I just don't think the value of the payment was high enough to warrant further intervention by Revolut. So, I don't think it made an error when it processed the transaction without intervention.

On balance, having carefully considered everything available to me, I currently think it was reasonable for Revolut to decline Mr G's disputed transaction claim based on the evidence available to them.

Revolut responded to my provisional decision and accepted my findings.

Mr G did not respond with any additional comments or evidence for me to consider.

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.

As neither party provided any additional comments or evidence for me to consider, I see no reason to deviate from the findings set out in my provisional decision.

So for the reasons outlined above, I think it was reasonable for Revolut to decline Mr G's disputed transaction claim.

My final decision

I do not uphold Mr G's complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 24 November 2023.

Rebecca Norris
Ombudsman