

## **The complaint**

Ms T is unhappy that Revolut Ltd won't refund payments she didn't make.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat them again here. The facts are not in dispute, so I'll 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.

I issued a provisional decision explaining my intention to uphold Ms T's complaint. Ms T accepted my findings and Revolut had nothing further to add, so I see no reason to change my mind. For completeness, I've explained my reasons again below:

- Revolut declined to refund these disputed transactions because a chargeback claim was unlikely to succeed, given that the payments were made by Google Pay. I accept this, but it's not the only relevant consideration.
- I must also consider the Payment Services Regulations 2017. The starting position under these is that Ms T isn't liable for payments she didn't authorise.
- Revolut hasn't disputed this concerns unauthorised payments. I'd agree that, in line with the PSRs, that's how they would be regarded. Because it wasn't Ms T that used Google Pay to make them – instead she was tricked into completing steps that allowed fraudsters to set up Google Pay on their own device.
- I've gone on to consider whether, in line with the PSRs, Revolut has shown there's a reason Ms T shouldn't be refunded. It's not explicitly stated a reason. But given Ms T shared virtual card details and a one-time code that, in part, led to the fraud taking place, I have nonetheless considered whether she failed with gross negligence to comply with the terms of the account and keep her personalised security details safe.
- To decide this, I've reflected on the circumstances that led to Ms T sharing this information. She received a call from someone posing as her other bank – she recalled how they were able to tell her several pieces of her personal, sensitive data and they told her account had been targeted by fraudsters. So I can see how she trusted the call was genuine and why she became panicked about the safety of her money. I think lots of people would've done in this situation.
- Ms T remembers being told that, given the risk to her account and potentially her device, she should transfer her money to her Revolut account. She was then asked to create a new virtual card with Revolut, so she'd still have access to her money. And she was told to share these details with them, so they could tell Revolut to keep this card active.

- Of course, it's possible to question Ms T's actions with the benefit of hindsight. But I'm mindful she was acting in the heat of the moment, when she was understandably panicked that she'd lose her money if she didn't follow their instructions. I've also considered that Ms T, like most people, isn't an expert in fraud – so I can see how she was taken in by this elaborate story that was designed to trick her into believing that her trusted bank was simply trying to help.
- In saying this, I acknowledge Ms T must have shared a code from a message which warned her not to share it and that it's for Google Pay. But given that Ms T can't remember the message, I find it unlikely that she fully digested this and understood the consequences of her actions. Instead, I think it's more likely that, like lots of victims of these scams, she focussed on the instructions of the caller who she was duped into trusting.
- I'm also mindful of how commonly people are asked for these codes nowadays, for lots of different purposes. Given their prevalence, I can see how it's possible Ms T acted on 'autopilot' here – focusing on the number as opposed to the context of the message.
- Of course, this isn't to say Ms T acted perfectly reasonably. Indeed, it's possible to call these actions careless. But, based on what I've seen, I've not been persuaded that Ms T acted with very significant carelessness to conclude she failed with gross negligence.
- It follows that, in line with the PSRs, I don't consider Ms T can be fairly held liable for these unauthorised payments and Revolut must put things right – by refunding her losses from the payments alongside 8% simple interest per year to compensate her for the time she's been out of pocket.

### **My final decision**

For the reasons I've explained, I uphold Ms T's complaint. Revolut Ltd must:

- Pay Ms T the total of the unauthorised payments, less any amount recovered or refunded – I understand this to be £1,762.92.
- Pay 8% simple interest per year on this amount, from the date of the unauthorised payments to the date of settlement (less any tax lawfully deductible).

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 6 February 2024.

Emma Szkolar  
**Ombudsman**