

The complaint

Mrs W complains that Revolut Ltd won't refund over £4,000 transferred out from her account without her authorisation. She'd like a refund and compensation for the impact on her.

What happened

Mrs W is represented throughout the complaint. But, for ease in my decision I'll refer to Mrs W as though all communication comes from her.

Mrs W had an account with Revolut.

On 15 August 2022 two payments were made from Mrs W's account to a cryptocurrency provider I'll call N. On 16 August 2022 two further payments of £1,997 and £212, were made to N. Mrs W disputes all of these payments.

The funds from Mrs W's account came from an account she holds with her husband, from a bank I'll call Bank B. Mrs W and her husband also dispute these payments. I'll be considering this complaint against Bank B in a separate decision.

On 15 August 2022, Mrs W received five transfers from Bank B totalling £1,998. And on 16 August 2022 six further payments totalling £2,102 were sent. On the same day Mrs W also received £105 in the form of three payments from two independent parties – Mrs W advises that she doesn't know either of the senders, and isn't trying to reclaim these funds.

Mrs W complained to Revolut but they didn't uphold her complaint. Revolut advised they didn't identify any fraudulent activity on the account.

Mrs W wasn't happy with Revolut's response, so complained to our service. Mrs W explained she was distressed by Revolut allowing £4,087 to be removed from her account without her permission. She explained it was having a detrimental impact on her mental health to think a bank wouldn't contact a customer to notify them of such large payments.

Mrs W put forward several arguments about Revolut failing to protect her from financial harm

Mrs W asked for the funds to be returned, plus 8% and £500 compensation.

One of our Investigators looked into Mrs W's complaint. However, on reviewing everything our Investigator thought Revolut had acted fairly. Overall, she thought it more likely than not Mrs W's authorised the disputed transactions and therefore didn't recommend they should be refunded.

Mrs W didn't agree. In response she said:

- Under no circumstances were her passwords passed to any other person or devices
- She wasn't contacted by Revolut when the fraud took place
- Revolut had a number of issues with the fraudulent use of their accounts

- She's shared an email from N showing they didn't have an account with her email address attached

As Mrs W didn't agree it's been passed to me to decide.

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've seen evidence that the disputed transactions were authorised via Mrs W's online banking. But the relevant regulations, the Payment Service Regulations (PSRs) 2017, say on its own this isn't sufficient to determine that Revolut are entitled to hold Mrs W liable for the transactions. For Revolut to hold Mrs W liable they'll need to show on balance Mrs W authorised the payments. Having looked at the evidence I'm satisfied it's fair for them to do so. I say this because:

- I've seen evidence from Revolut which shows the device that was used to log into Mrs W's account, and approve the payments. Having done so I can see that the device used is the only device registered on Mrs W's account. Mrs W explained that she hasn't allowed anyone else to access her mobile device.
- Even if a fraudster did gain access to Mrs W's device they'd need to know the passwords for her Revolut account, and her account with Bank B. Mrs W's explained that she hasn't shared her details with anyone or written them down. For this reason I can't see how a fraudster could have obtained Mrs W's security credentials without her knowledge for *both* her accounts with Bank B and Revolut.
- Mrs W has confirmed that she can't remember receiving any suspicious text messages or emails from any third parties. Mrs W advised our service that she received a text message from Bank B – however this was *after* the fraudulent transactions. And I've no reason to believe this wasn't a genuine message from Bank B.
- Mrs W's provided evidence from N advising they don't have an account registered with her email address. Revolut have also advised our service that any funds sent to N need to be sent from another account in the registered holders name. They've also shared evidence from N which says that N completed Know Your Customer checks on their customers. I understand Mrs W's argument that N don't have an account with her email address, but I find the evidence Revolut have provided is persuasive. And even without seeing evidence directly from N, I think it's likely the account with N where the funds were sent was in Mrs W's name. I understand Mrs W argues that the fact the email address doesn't match means it can't be her account – but N's website confirms they can't accept funds from unregistered consumers. Therefore If the account *wasn't* in her name I'm satisfied the funds would have been rejected. But, this didn't happen.

I've considered whether the payments should have been identified by Revolut's fraud detection system. I'm afraid I don't think they should. The payments were made to a new payee – but they weren't unusually large, and were authorised via Mrs W's online banking including her registered device and password.

For the reasons I've outlined above I'm satisfied on balance Mrs W authorised the disputed transactions. It follows, I think it's fair for them to hold her liable and I won't be asking Revolut to do anything further.

My final decision

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs W to accept or reject my decision before 27 September 2024.

Jeff Burch
Ombudsman