

The complaint

Miss W complains Revolut Ltd (“Revolut”) refused to refund her for transactions on her account she says she didn’t authorise. She is also unhappy Revolut closed her account.

What happened

Miss W disputes several transactions from her account from 16 June 2023 to 15 September 2023. Miss W says over £5000 was taken from her account via unauthorised transactions, and she would like Revolut to return this money to her. She is also unhappy with Revolut’s decision to close her account and would like it reinstated.

Revolut says it thinks Miss W is responsible for the transactions in question, so held her liable for them. It also says it made a business decision to close her account and it did so in-line with its terms and conditions, giving her adequate notice of the decision. Revolut says it is not willing to reinstate her account.

Our investigator considered this complaint and decided not to uphold it. Miss W wasn’t happy with this, so the complaint has been passed to 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.

Generally speaking, Revolut is required to refund any unauthorised payments made from Miss W’s account. Those rules are set out in the Payment Service Regulations 2017. Miss W has said she didn’t carry out the transactions in dispute. So, I have to give my view on whether I think Miss W authorised the transactions or not.

Miss W contacted Revolut on 15 July 2023 to inform it that her phone had been lost and she had seen transactions on her account she didn’t recognise. She said her phone was protected with a passcode and face ID and so was her Revolut app, and the passcodes for both were different. However, Revolut have provided evidence to show the Revolut app was accessed on the “lost device” via Face ID after the 15 July 2023. Revolut have also shown us that the “lost device” was used to make an undisputed transfer to a known beneficiary on 16 September 2023. In her testimony to our Service, Miss W said the iPhone 13 (“lost device”) and her iPhone 14 have always been in her possession – which contradicts what she told Revolut about the iPhone 13 being lost. So, I am not persuaded by what Miss W said about her phone being lost, and without any other evidence of how the transactions from 15 June to 17 July 2023 were carried out by a third party I think it’s likely Miss W made these herself.

Miss W put a gambling blocker on her account on 17 July 2023, so she has questioned how the card payments were made to gambling companies when there was a block on her account. But the transactions made between 15 June and 17 July were all card payments made before the block was applied. And Revolut have confirmed that the gambling block only applies to card payments. The payments in dispute after 17 July 2023 were all account

transfers – which would not be stopped by the gambling block.

As I've said above, the payments which Miss W disputes on her account from 17 July onwards were all money transfers to gambling companies, so they were not blocked but the gambling block Miss W put on her account. But Revolut has provided evidence that all these transactions were approved using push notifications to her device for approval or SMS one-time passcodes (OTP's) messages to her registered phone number. Revolut says the transfers were only sent after completion of this added authentication step. And I think that's likely to have been the case.

Miss W has not told us her new device had been compromised in any way or used by anyone else. In fact, Miss W told us that no one else knew her app or phone security information or had registered face ID on her phone. It was only accessible to her. I've also checked the phone number the SMS messages were sent to, and this is the same number Miss W registered with our Service, so I am satisfied these were sent to her. So, on this basis, I think it is likely Miss W received these notifications and SMS messages to her device and then authenticated the transactions herself.

Overall, the transactions I've seen on Miss W's account during this period do not seem consistent with fraudulent activity. There are undisputed transactions into the account during a time Miss W said she her account was being compromised, and one would wonder why someone would keep transferring money into the account if they believed someone else had access to it. The device Miss W told Revolut was no longer in her possession was then used to make an undisputed transaction, which would suggest Miss W was not being truthful about the loss of her phone.

Overall, I am persuaded by the evidence presented by Revolut that these transactions were likely to have been authorised by Miss W. So, I will not be upholding this complaint and I will not be asking Revolut to do anything further.

My final decision

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss W to accept or reject my decision before 26 July 2024.

Sienna Mahboobani
Ombudsman