

The complaint

Mr F complains that Revolut Ltd won't refund payments he says he didn't make from his account.

What happened

Mr F says that his accounts at Revolut and a different financial business were taken over by fraudsters. Two payments totalling £1,750 were transferred to Revolut from his account at that other business. And these were then transferred to a third party he didn't recognise. There were other credits that he didn't recognise too.

Revolut said that it wouldn't be refunding his money. It explained to this service that a new device was registered to Mr F's account at that time. This would have required access to his email and photo identification to do so.

Our investigator didn't recommend that the complaint be upheld. Mr F told her that he did have a suspicious call from someone claiming to be from the other financial business. But that he didn't download anything or share any of his security details. He hadn't lost any other information including his bank cards or identification. She said that the full details needed to log into Mr F's Revolut account with a new device would be his phone number and passcode, a code sent to his email account and a photo of him. Mr F was clear he hadn't provided all these to anyone else, responded to a phishing text or been scammed. There was no explanation why a fraudster would have needed to use his Revolut account if that person had managed to gain access to the other bank account. She didn't think it most likely that his Revolut account was used without his knowledge. And so, she concluded that these payments were authorised.

Mr F didn't agree. He said that he had £1,750 stolen and wasn't getting this back. He was being told he authorised the payments, but he didn't do so. He accepted the only evidence he had was of the money leaving his account. And he assumed it was transferred between his bank accounts to avoid suspicion. He said that he didn't know how to prove that this wasn't him. He didn't know how his information was compromised and what he was supposed to do to. He wanted an ombudsman's 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 won't be able to say *exactly* what happened and I'm thinking about what is *most likely*.

I need to take into account the Payment Services Regulations 2017 in considering this complaint. These state that a payment can only be authorised if it was consented to. So, it's not enough for it to be authenticated, say with a card and PIN. And if these payments weren't authorised Mr F wouldn't generally be responsible for them.

So, I will be thinking about the following areas in looking at this complaint:

- What is the most likely explanation of what happened to the security information used to make these payments?
- Did Mr F authorise the payments on the account?
- Did Revolut act reasonably?

I've seen the evidence that supports the payments from Mr F's account, and I'm satisfied that these were authenticated using his details. The issue is whether he authorised the payments or not.

Mr F is reasonably required by Revolut to keep his security information safe. He says he did this despite a suspicious call he received that day. And he is clear he didn't respond to any phishing attempt – something Revolut had thought might be a possibility - or allow access to any device by downloading software. He's not identified anyone that could have been in a position to access his account either.

So, to find these payments weren't authorised I'd need to think that an unknown third party was able to find out his passcode, intercept his email account and also have a photo of him. And although I'm not looking directly at what happened at the other financial business, to accept his version of events, I'd also need to think that someone was able to access that account too. And having done so would want to send money from his account there before sending it on again. Even though one of more of these things might be possible I need to consider them all together And I think that without an identified point of compromise this explanation isn't the most likely one. I make that finding taking into account that a new device was registered at around this time and that other payments were credited to his account from unknown third parties that were reported as fraudulently obtained too.

I'm not persuaded that these disputed payments from his account were unauthorised. I don't see that Revolut made a mistake or acted unreasonably in processing them. And it blocked his account after he contacted it preventing further payments out. So, I won't be asking it to do anything further. I appreciate what is at stake for Mr F and that he will be very disappointed with my conclusions.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 3 November 2021.

Michael Crewe
Ombudsman