

The complaint

Mr A complains that Revolut Ltd (“Revolut”) will not refund a transaction he says he did not authorise. He also complains about Revolut’s decision to close his account.

What happened

The circumstances of this complaint are well known to both parties, so I will not repeat them all again here in detail. But I will provide an overview of events below.

In short, Mr A contacted Revolut to dispute a transaction from his account to a company I will refer to as Company Q in this decision. This transaction was made in November 2021 and was for £19.09. Revolut investigated the matter and decided to hold Mr A liable for the transaction. Later, Revolut put Mr A on notice that it would be closing his account.

Unhappy with the above, Mr A raised a complaint which he also referred to our Service.

One of our investigators considered the complaint and did not uphold it. Mr A did not accept the investigator’s findings. As an agreement could not be reached, the complaint has been passed to me to make a decision.

What I have 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.

Having done so, I agree with the conclusions reached by the investigator for reasons I set out below.

But first, I would like to say at the outset that I have summarised this complaint in far less detail than the parties involved. I want to stress that no discourtesy is intended by this. If there is a submission I have not addressed, it is not because I have ignored the point. It is simply because my findings focus on what I consider to be the central issues in this complaint.

What was used to make the transaction?

Mr A says that his physical card was used to make the transaction in question. However, Revolut says that a disposable virtual card was used. Having considered this point, I accept the latter position. I say this because Revolut has provided technical evidence which shows that a disposable virtual card was used to make the transaction, rather than a physical card. Mr A has not provided any satisfactory evidence to challenge this.

Was the transaction authorised?

I am satisfied that the transaction was authenticated. However, for a transaction to be ‘authorised’, I also need to be satisfied that it was consented to; a matter which I will deal with now.

To generate a disposable virtual card, Revolut has confirmed that an individual would need to use their Revolut banking app to do so. This process involves inputting the required security details to access the app – including those required to access the mobile phone (if applicable).

Mr A disputes authorising the transaction, which I am satisfied was made using a disposable virtual card (see above). For me to be able to accept what Mr A says, I would have to be persuaded that a third-party made the transaction without his consent. That is to say, the third-party somehow obtained Mr A's mobile phone, accessed it, obtained the security details to access the Revolut banking app, went through the process to generate the disposable virtual card and used it to make the transaction.

The difficulty I have with accepting this scenario is that I have not seen any evidence to suggest it happened – in particular, nothing to suggest that Mr A's mobile phone or security details to access his Revolut banking app were compromised. Moreover, and to my mind an important point, Mr A himself has not suggested that such a scenario occurred. His position is that his physical card was used, rather than a disposable virtual card, which is an argument I am unable to accept for the reasons I have already provided.

Further, I consider it unlikely that a third-party would go to the extent of what I set out above – with the intention of only making a single transaction for £19.09. To my mind, this is not behaviour indicative of an opportunistic fraudster; such a person would usually tend to maximise spending before their activity is discovered.

Therefore, the evidence before me points in the direction of it being more likely that Mr A authorised the transaction by either using the disposable virtual card to make it himself, or providing it to another to do so with his consent.

Mr A has expressed concerns regarding the information (or lack of) he says Revolut has provided him about Company Q. However, from what I can see, Revolut provided Mr A with sufficient information about Company Q. I acknowledge Company Q's website is not in English – something which Mr A has indicated Revolut should have assisted him with. However, I would not have expected Revolut to support him with this. The information it provided Mr A about Company Q was reasonable.

Taking all the above points together, I am satisfied that Revolut dealt with Mr A's fraud claim fairly and reasonably.

Closure of Mr A's account

Having considered the way in which Revolut dealt with the closure of Mr A's account – in particular the notice it provided – I am satisfied it acted in accordance with the applicable terms and conditions. It follows that I consider any fees Mr A has incurred as a consequence of his account closing to be fair.

My final decision

For the reasons set out above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 1 September 2022.

Tony Massiah

Ombudsman