

## **The complaint**

Mr R has complained Revolut Ltd won't refund him for a disputed transaction made in 2021.

## **What happened**

In 2021 Mr R opened an account with Revolut which he didn't immediately use. In September he complained to Revolut £1,000 had been paid into his account (from another of Mr R's accounts) and then withdrawn. He'd not made or recognised these transactions.

Revolut reviewed the evidence and could see a passcode had been sent to Mr R's genuine mobile phone which was then used to validate the payment. Mr R continued to say this hadn't been him.

As Mr R was unhappy with Revolut, he brought his complaint to the ombudsman service. Mr R confirmed he'd reported this to Action Fraud and didn't understand why Revolut hadn't refunded the payment as he got in touch with them straightaway to confirm it wasn't him.

Our investigator reviewed the detailed evidence along with Mr R's testimony. He specifically asked Mr R whether he'd been the victim of a scam and been asked to send the money to another account. Mr R denied this had been the case. On the basis of the evidence that the IP address of this transaction matched IP addresses on another account Mr R used and the fact that Revolut had sent a passcode to Mr R's phone, he told Mr R he wasn't going to ask Revolut to do anything further.

Still unhappy, Mr R has asked an ombudsman to decide his complaint. He also told us of what he thought were times when his phone may have been accessible by a third party.

## **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.

Having done so, I've reached the same outcome as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

The regulations which are relevant to Mr R's complaint are the Payment Services Regulations 2017 (PSRs). These primarily require banks and financial institutions to refund customers if they didn't make or authorise payments themselves. Other factors do apply but nothing else specific in Mr R's case.

So to help me decide what happened, I've looked at the evidence of the transactions, as well

as what Revolut and Mr R have told us.

We have a timeline of events which is the two disputed transactions on 23 September 2021. Mr R initially told us nobody else had access to his phone and he admitted receiving the passcode from Revolut in his customer chat with Revolut following him raising what happened.

Mr R has subsequently told us he had builders in his property at the time of the disputed transactions. He also had had his phone screen repaired shortly before this. He wonders whether that could show potential compromises. I've considered this but overall I don't think so.

From all the evidence I've seen there seems to have been no difficulty in accessing Mr R's other bank account and his Revolut account authorising the payments. I'm not sure how an unknown third party would have either known which accounts Mr R held with banks, and his log-in details. I also wonder why it was quite late in the day Mr R raised the possibility that his phone could have been compromised.

Overall I don't believe that's what happened. I think Mr R made and authorised the payments himself, as evidenced by the audit trails I've seen. I can see that he immediately regretted doing so, for whatever reason, and tried to get Revolut to send the money straight back. They couldn't do this as Mr R made an immediate automated payment – and once properly authorised as Mr R did by using the passcode – this payment had gone and could not be recalled.

I believe there's a possibility Mr R was the victim of a scam and he's unwilling to admit this. His bank and our investigator have specifically asked Mr R this and he denied this was the case. So I can't be sure that's what happened here and make any decision which goes against what the evidence is showing.

I think overall it's more likely that Mr R has authorised the disputed transactions himself. I appreciate the depth of Mr R's feelings on this issue, but I don't think the evidence matches what he is telling us. I'm not going to ask Revolut to refund Mr R.

### **My final decision**

For the reasons I've given, my final decision is not to uphold Mr R's complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 10 October 2022.

Sandra Quinn  
**Ombudsman**