

The complaint

Miss H complains that Revolut Ltd won't refund disputed payments made from her current account.

What happened

Miss H says that between December 2020 and June 2021 fraudulent transactions totalling over £100,000 were made from her current account to a company I'll call A. Miss H says that A was owned by Mr S, who had been appointed by an insurance company to assist her with recovery after a serious car accident.

Miss H says that during this period she was seriously unwell and not therefore aware of what was happening. She says that Mr S made these payments without her consent. Miss H asked Revolut to refund these payments to her.

Revolut investigated and decided not to refund the disputed withdrawals. It didn't agree that there was evidence that anyone had accessed Miss H's account without authorisation. It thought Miss H had authorised the withdrawals or made them herself because:

- the transactions were carried out using mobile devices that Miss H had registered using her email address or a photograph to verify her identity
- Miss H was using her account regularly during the period in question and was communicating with Revolut about other matters
- Miss H had previously received payments into her account from A and had made payments to Mr S that she had not disputed
- Miss H added Mr S' details to her business account

Miss H didn't agree with Revolut's decision. So she asked us to investigate.

Our Investigator didn't recommend the complaint should be upheld. In summary, they felt it was more likely that Miss H had authorised the transactions or allowed them to be made.

Miss H asked for the answer to be reviewed by an ombudsman, so the complaint has been passed to me.

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, my review of the evidence has led me to the same overall conclusions as the Investigator previously set out.

The relevant law here is the Payment Services Regulations 2017, and broadly speaking Miss H is responsible for any payments that she has authorised (either by making them herself or allowing someone else to) and she isn't responsible for unauthorised payments.

So, the key question here is whether Revolut has acted fairly in concluding that Miss H did authorise the disputed payments.

I'm satisfied from the bank's technical evidence that the mobile devices used to make these payments were verified by Miss H, and so it follows that she authorised them to be used for payments. But the regulations relevant to this case say that is not, on its own, enough to enable Revolut to hold her liable. So I also need to think about whether the evidence suggests that it's more likely than not that Miss H consented to the payments being made.

From what I've seen, I don't think it's unreasonable for Revolut to conclude that Miss H authorised the transactions. This is because, in addition to the points Revolut has raised:

- There is no clear point of compromise where Mr S could have accessed Miss H's mobile device to make a payment. She has not said she shared any phone or banking login details with Mr S, and there's no evidence to suggest that any other mobile devices than those verified by Miss H were used to make these payments
- Between the disputed payments there were also many payments and other transactions in and out of the account that Miss H has not disputed, so it appears she was regularly using this account during this time. Some of these payments were made within minutes of the payments that are in dispute. It's difficult to see how a third party could have taken Miss H's phone and used it to make a payment without her noticing when she was also making payments at the same time.
- Revolut's chat logs also show that Miss H was corresponding with it about other issues during this period. This all suggests that Miss H was able to actively monitor her account and so it's not clear why she didn't flag any of these payments until December 2021.

I acknowledge that Miss H appears to have been through a very difficult time, but with everything I've seen I'm satisfied that it was reasonable for Revolut to refuse to refund these disputed payments to her on the basis that it is more likely she authorised them. It follows that I don't think Revolut needs to return any of those funds to Miss H.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 23 March 2023.

Sophie Mitchell
Ombudsman