

The complaint

Mr A complains that Revolut won't refund money he lost, which he believes was fraudulently taken from his account, without his authority.

What happened

There appears to have been some differences in the version of events presented to Revolut when the fraud claim was first raised with it, against the version of events later brought to Revolut and this service by Mr A.

On the one hand Mr A told Revolut that his principal bankers had called him regarding concerns of fraudulent activity and recommended that he moved funds elsewhere. Leading him to transfer £19,000 on 4 May 2022 to his Revolut account, from the account he held with his principal bankers. But Mr A, when our Investigator sort clarity, explained that the £19,000 he transferred to Revolut, was instead money that he had moved from his other bank, with the intention of using the funds for a planned trip abroad.

But what doesn't appear to be in dispute, and what I understand to be the crux of the matter, is that Mr A has said that shortly after the £19,000 was transferred into his Revolut account, it was moved, without his knowledge, to a third party that was unknown to him.

Later the same day, on realising the money had gone, Mr A, who has said he was travelling at the time, raised the matter with Revolut. Mr A added that, due to problems he was having with his phone in accessing the Revolut application, he also asked a friend and his principal bank to reach out to Revolut in order to highlight the fraud. Mr A has said he doesn't believe that Revolut did anything to ensure the return of the money that was stolen from him, after the matter had been raised with it.

Revolut looked into Mr A's complaint and issued its final response on 21 June 2022 not upholding the complaint. In summary, it said due to security and privacy reasons it wouldn't have been able to provide information about Mr A's account to a third party under any circumstances, but that it advised Mr A's friend that Mr A should contact it as soon as possible. It added that it had determined there were no signs of fraudulent activity on Mr A's account, and that protections had been present for both Mr A's iPhone device and in the Revolut App at the time the transaction was made.

Unhappy with Revolut's response, Mr A then brought his complaint to this service. One of our Investigator's looked into things but didn't uphold the complaint. In summary this was because she was satisfied, having considered the evidence, that Mr A had authorised the payment. Our Investigator also considered the service Revolut had provided and thought it had acted appropriately.

Mr A didn't agree with our Investigator's view. He explained that one of the issues was with the time it took Revolut to understand the issue and take remedial action. He added that an account he held with another payment provider was also hacked, but as they acted immediately they were able to recall and recredit other funds that had been lost.

As agreement couldn't be reached the complaint has now been passed to me for a 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've also taken into account the law, regulator's rules and guidance, relevant codes of practice and good industry practice at the time.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

The first thing I need to decide is whether I think Mr A authorised the transaction. Mr A has repeatedly told Revolut and this service that he didn't authorise the transaction for £19,000 that left his account. Generally, Revolut can hold Mr A liable for the disputed transaction if the evidence suggests it's more likely than not that he made or authorised the transaction himself.

In the circumstances of this case, the weight of evidence that is available to me suggests that Mr A did authorise and consent to the payment. I say that for the following reasons:

- The payment was made using a device that Mr A had used on numerous occasions in the past for genuine transactions and that was registered to his account. The same device was used to log into the account on 4 May 2022, make the transaction and then the same device was used to contact Revolut via its chat function later in the day.
- Mr A has also confirmed that his mobile device is both passcode and Face ID protected and Revolut's activity logs show these were keyed/submitted successfully both prior to and after the transactions were made. So overall, I am satisfied from the bank's technical evidence that Mr A's genuine security details were used to make the disputed transaction.
- When also considering there has been no point of compromise for Mr A's mobile device or for the security credentials he uses to log onto his Revolut account. I can't see how a third-party would have been able to make the payment, without Mr A's passcode and through bypassing Face ID security.

Overall and on balance, when considering the individual circumstances of this case, I've not seen any feasible or credible evidence to support a conclusion that someone else made the payment. As I'm persuaded Mr A authorised the payment, Revolut can hold him liable for it. I'm mindful that Mr A considers that had Revolut acted more quickly when he, his friend and his principal bankers raised the matter with it, then it would have been able to recover the money he lost. But the evidence I've seen from the beneficiary account (the account to which the money was paid) shows that the funds were moved on again within a few minutes of the transaction being made. I can see that any contact made with Revolut to raise fraud concerns was after the funds had already been moved on. So I'm persuaded Revolut hasn't missed an opportunity to recover the money.

For the reasons I've explained I'm not persuaded Revolut has done anything wrong and so it wouldn't be fair or reasonable for me to ask it to refund Mr A the money.

My final decision

My final decision is that I don't uphold this complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 15 September 2023.

Stephen Wise
Ombudsman