

The complaint

Mr S has complained Revolut Ltd won't refund money he lost through three transactions he didn't authorise.

What happened

In January 2024 Mr S noticed a discrepancy in his Revolut account and contacted them. He disputed three transactions for £511.50, £3,900 and £100.70 made in November and December 2023.

Mr S had recently had builders within his home from end-September to near end-December. He admitted he often left his phone lying around and believed it was likely this had been obtained and broken into to carry out the transactions Mr S hadn't made. Mr S also noticed disputed transactions on other bank accounts he held (with banks I'll call M and T).

Revolut wouldn't uphold Mr S's claim and argued that based on their terms and conditions they were correct in not refunding Mr S.

Mr S brought his complaint to the ombudsman service.

Our investigator considered Revolut's detailed technical evidence along with Mr S's testimony. He felt it was difficult to ignore the technical evidence which showed the device used for all the transactions belonged to Mr S, with face recognition being used. There were also discrepancies between what Mr S had told us in terms of his use of webchat with Revolut and the evidence Revolut supplied. He wouldn't be asking Revolut to refund Mr S.

Mr S disagreed with this outcome. He's asked for his complaint to be considered by an ombudsman. He also confirmed his diagnosis as severely visually impaired. He believes Revolut, as well as M and T, haven't taken this into account when considering their responses.

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.

It's worth stating that I can choose which weight to place on the different types of evidence I review, including technical evidence as biometric data, provided by financial institutions along with complainants' persuasive testimony.

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 S'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. There are other aspects to the PSRs but nothing I believe which has an impact on Mr S's complaint.

To help me come to a decision, I've reviewed the evidence Revolut provided as well as what Mr S has told us.

I believe these transactions were carried out with Mr S's authorisation. I say this because:

- Revolut has shown correspondence with Mr S where he confirms he'd be using this account for cryptocurrency transactions. The recipients of funds all bear similar hallmarks, along with the numerous failed transactions attempted from Mr S's Revolut account.
- Revolut's evidence shows the device ID used for the disputed transfers was the iPhone belonging to Mr S. Mr S doesn't dispute that is most likely. But he has told us he left this lying around on occasion enabling unauthorised people to access it.
- Mr S told us he hadn't used Revolut's webchat service until he disputed the three transactions in January 2024. However this isn't backed up by the evidence Revolut has shared. In November 2023 Revolut's evidence shows Mr S was required to verify a transaction around the time of the disputed transactions. He did this by sending a picture of himself holding his photo ID which Revolut matched with their records. This verification matched.
- Mr S has told our service he didn't have biometric data or PINs to access his phone or banking apps. However this isn't the case. Mr S's Revolut app is accessed using biometric data. This was used properly at the time the disputed transactions were made.
- About half an hour before the first disputed transaction, there is a credit to Mr S's Revolut account for £4,510. This enables the two payments which are in dispute to be made. There are also a number of failed transactions along with the successful disputed transaction.
- Before the disputed payment in December, a further credit of £1,600 is made into the account from Mr S's account with T. This payment hasn't been disputed.
- If I were to consider an unknown third party had got hold of Mr S's phone to make these transactions, I'd have to consider that quite a high-risk strategy. This would involve someone using Mr S's phone over a considerable period on 20 November, then again two days later. Then again a month later but at 7pm. I find this scenario too implausible.
- I'm surprised it took Mr S a relatively long period of time to notice the fraud and report these transactions as disputed.

It's difficult to separate the complaints Mr S has brought against Revolut as well as against M and T. I have taken into account what happened on those accounts when considering what I believe is the right outcome here.

Based on what I have seen, I believe there's sufficient evidence to show Mr S authorised the

disputed transactions.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 1 July 2024.

Sandra Quinn
Ombudsman