

The complaint

Mr M complains that Revolut Ltd (Revolut) won't refund a £760 transaction which he says he didn't authorise.

What happened

The background to this complaint is well known to both parties, so I won't repeat everything here. In summary, Mr M says that he lost his device and cards and that following this £760 was taken from his account without his approval. He would like Revolut to refund this amount along with an additional payment to compensate him for the distress caused.

Revolut says that the funds were transferred to an account in Mr M's name, and that it was an account Mr M had transferred funds to both before and after the disputed transaction took place. They also mentioned that there has been a lack of evidence provided as to when and how his phone was stolen and how it was returned to him. So they are not refunding the £760 Mr M is disputing.

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 don't uphold this complaint.

Generally speaking, Revolut is required to refund any unauthorised payments made from Mr M's account, and Mr M should only be responsible for transactions made on his account that he has authorised. Those rules are set out in The Payment Services Regulations 2017. Mr M says he didn't authorise the transaction he's disputed. So, I have to decide whether or not I think Mr M authorised it.

Revolut has provided us with a transaction log which shows that Mr M had made payments to the same account the disputed transaction was paid to. He had made payments to this account before and after the disputed transaction occurred.

This would mean that the fraudster stole Mr M's phone and made the payments to an account Mr M had made payments to previously. And it appears to be an account in Mr M's name. I can also see that when completing the transfer a form was completed saying that the reason for the transfer was "transfer to my other account". Given that the funds appear to have been transferred to an account in Mr M's name and is crucially an account he has and continues to transfer money to, I think it's unlikely that Mr M didn't authorise this transaction.

It is also unclear whether Mr M has or had access to the funds once they were transferred to the account, which appears to be in his name. So there's a potential argument that Mr M hasn't actually lost out financially due to this transaction – the funds may well have just been transferred to another account Mr M had access to. Setting this point aside, I've gone on to consider if there's enough for me to say Mr M authorised these transactions.

Revolut has provided us with screenshots which indicate that the app was used around the same time the transaction occurred and that the login was completed using Mr M's biometrics, which I understand would consist of either fingerprint scanning or facial recognition (here it appears to be facial recognition). There are no discrepancies or indications that I can see that this was anything other than a login by Mr M on his Revolut app, at around the same time the transaction occurred. So I'm satisfied from the information that the disputed transaction was made and authenticated using the Revolut app where biometrics were required and provided.

To decide if Mr M likely authorised the disputed transaction, I not only need to be satisfied the transactions were authenticated (as I've said I think they were above), but I also need to be persuaded Mr M most likely consented to the transaction. In this regard, I note that Mr M has said that his phone was stolen and subsequently returned to him but hasn't provided enough details around this for me to be satisfied this likely happened. He hasn't detailed how the phone was stolen, if he reported this to the police, and how his phone was eventually returned to him.

I agree with what our Investigator said about this. In this case, given the evidence I've seen, I can't see a plausible explanation for how this transaction would likely have happened without Mr M's authentication and consent at the time. Given the logins and their timings and all the information I've reviewed, I don't find it persuasive the transaction would have likely occurred without Mr M's knowledge.

I appreciate Mr M will be disappointed. But for the reasons I've explained, I'm therefore not persuaded it was unreasonable for Revolut to treat this transaction as authorised, and to therefore not refund it.

My final decision

For the reasons explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 28 March 2025.

Sureeni Weerasinghe
Ombudsman