DRN-5757110

The complaint

Ms P complains that Revolut Ltd has declined to refund disputed transactions that were made from her account.

What happened

On 20 March 2024, transactions totalling just over £4,000 were made from Ms P's account toa retailer based overseas. Ms P discovered the transactions the same day and contacted Revolut to report them as unauthorised. She asked it to refund the money.

But the bank didn't agree it was responsible for Ms P's loss, on the basis that it believed the transactions couldn't have taken place without Ms P's involvement.

Unhappy with this, Ms P raised a complaint. In response Revolut said:

- It did not uphold Ms P's complaint.
- Ms P's chargeback claim can't be pursued as the case does not meet the criteria set by Visa.
- It carefully examined all information regarding Ms P's case before reaching its outcome.
- It acted within the set terms and conditions for Ms P's account.

Ms P remained unhappy and referred her complaint to this service where it was considered by one of our investigators. She didn't believe that Revolut was responsible for any refund, as she thought the transactions were either authorised by Ms P, or that she gave someone else permission to make them on her behalf.

As no agreement could be reached, the complaint was passed to me to decide, and I issued a provisional decision on 1 August 2025. I said:

'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'm currently minded to require Revolut to refund all of the disputed transactions to Ms P, plus interest. I've explained why below.

The Payment Services Regulations 2017 (PSRs) say, in summary, that a payment service provider should generally refund a transaction that comes out of one of their consumer's accounts that they didn't authorise. There are limited exceptions to this, such as when the consumer has breached their obligations to keep their security credentials secure either intentionally, or by being grossly negligent with them.

In this case, Revolut has explained that the transactions were made using Apple Pay overseas. It says the physical card was never used, but the device (located overseas) linked to Ms P's card was tapping the contactless terminal in order for the transactions to be made.

I'm satisfied that Ms P was in the UK when the transactions were made overseas. So I accept she didn't physically make these transactions herself.

Revolut has provided evidence to show that the disputed transactions were carried out on a device that had been linked to Ms P's debit card information on 6 March 2024, two weeks before the disputed transactions were made. Revolut has explained that in order to link debit card details to a new device, a person needs to add the card details to its wallet app, and then verify this action with a single-use confirmation code (OTP), which is sent to the cardholder's verified phone number in their Revolut account. Ms P is adamant she didn't share any details with anyone or receive any OTP's via SMS to her phone from Revolut.

I've seen evidence that the OTP was sent to Ms P's mobile telephone number on 6 March 2024 – the same number that she's provided to this service. We've asked Ms P if she shared this OTP with anyone, but she's maintained throughout that she didn't receive it, and has an affidavit stating the same oath. Ms P has also said she was asleep when the disputed transactions were made and had no involvement with them at all.

I've thought very carefully about what Ms P has said. I'm satisfied the OTP was sent to her telephone number, and she hasn't given any explanation as to how someone else could've intercepted the OTP and pass it on. I've considered whether there could have been any malware on Ms P's phone, but we've been given no indication this is the case, and this doesn't appear likely in the circumstances. So I think it's most likely that she did pass it on somehow, and it's possible she did so because she was tricked. And, considering the gap in time between the card being tokenised and the disputed transactions being made, it could be she has somehow forgotten a discussion she had, or something that she clicked on.

In any event, I know Revolut has said that sharing the OTP with a third party, means that Ms P consented to the tokenisation of the card, regardless on which device this was done, and is therefore liable for any transactions made through Apple Pay. But, the act of sharing the code doesn't mean she went on to authorise the disputed transactions in question some two weeks later. And I don't find that they were authorised by Ms P.

I have to consider whether Ms P breached her obligations to keep her security credentials secure, or if she acted with 'gross negligence'. As Revolut is aware, our service would consider gross negligence to be a lack of care that goes significantly beyond what we would expect from a reasonable person – a serious disregard of an obvious risk.

Here, I have no persuasive evidence that Ms P has acted with intent or gross negligence which has enabled the disputed transactions to be made. And so, when I consider all of the available information for this complaint, I don't find that Revolut is entitled to hold Ms P liable for the transactions she's disputed.

As such, I'm minded to require that Revolut refunds the disputed transactions, plus 8% simple interest on this amount, from the date the transactions were made to the date of settlement.'

Responses to my provisional decision

Ms P accepted my provisional decision and said she was very pleased with the outcome.

Revolut didn't provide any comment by the deadline I set for a response.

.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.

As neither party has provided anything further for me to consider, I see no reason to depart from my provisional findings.

I remain satisfied that Revolut hasn't evidenced that Ms P authorised the transactions in dispute. Nor have I seen any persuasive evidence that she's acted with gross negligence in order for the transactions to be made. As such, I don't find that Revolut is entitled to hold Ms P liable for the transactions she's disputed. And so I require it to refund them, including any associated interest and charges.

Putting things right

It's my final decision that Revolut must:

- Refund the total value of the disputed transactions to Ms P.
- Pay 8% simple interest on this amount, from the date of the transactions debiting to the date of settlement.*

*If Revolut considers that it's required by HM Revenue & Customs to deduct income tax from that interest, it should tell Ms P how much it's taken off. It should also give Ms P a tax deduction certificate ifs he asks for one, so she can reclaim the tax from HM Revenue & Customs if appropriate.

My final decision

My final decision is that I uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms P to accept or reject my decision before 12 September 2025.

Lorna Wall
Ombudsman