

Complaint

Mr G has complained about the way Revolut Ltd handled his chargeback.

What happened

In May 2019, Mr G told Revolut that an item he bought was not as described. They gave him a form to start a chargeback.

Revolut asked for evidence to support the claim, such as screenshots of the item's sales page, pictures of what Mr G received including measurements, evidence that he'd asked the merchant for a return address, and evidence of him sending the item back.

Initially, Revolut said they didn't think they could proceed with the claim as the item didn't appear to be substantially different to its description. But they agreed to try anyway. They explained the chargeback process and timescales, including that under the rules Mr G would need to return the item to the merchant first.

Mr G asked for advice on other legal routes, but Revolut explained they couldn't help with his consumer rights issues, just the chargeback scheme.

On 31 May 2019, Mr G told Revolut that he was returning the item to the merchant and would let them know if he had any problems.

Over the next few months, Revolut asked Mr G for updates. They explained they only had until 20 August 2019 to continue with the chargeback, and they wanted to make sure they could still help him if he needed them to.

Mr G said he'd arranged a return and refund with the merchant, and there'd been delays, but he was hopeful it would be resolved. He didn't ask Revolut for further help, but Revolut raised the chargeback on 19 August 2019 anyway, just in case Mr G needed it.

The chargeback went through and Mr G got a full refund on 26 October 2019.

Mr G complained about Revolut. He said they'd placed unfair barriers to his claim, had made him go to unreasonable lengths for evidence, and had called him a liar. He was unhappy they hadn't given him advice about other possible legal routes.

Our investigator looked into things independently and didn't uphold the complaint. She thought Revolut had taken the initiative to help Mr G. She explained they couldn't help him with the other routes he'd asked about, and they'd used the correct scheme. She pointed out that with Revolut's help, the claim had been successful. The information they'd asked for was required for the chargeback, and she couldn't see they'd made any errors. She found that they had never said or implied that Mr G was lying.

Mr G didn't agree, so the complaint has been passed to me to decide.

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 that, I've come to the same conclusions as our investigator, and for much the same reasons.

First, I should explain that chargebacks are part of a voluntary scheme, and are just one possible alternative way of getting money back from a merchant. Revolut were not obliged to put this chargeback through, though I think it was good practice that they tried to help Mr G. Chargebacks are not guaranteed to work, and Revolut had to follow strict rules that the chargeback scheme sets down. Here, I can only look at whether Revolut acted appropriately when putting the chargeback through – I'm not here to look at the chargeback rules themselves, and I can't tell the chargeback scheme to change them here.

I'm afraid that much of Mr G's complaint comes from how the chargeback itself worked. For instance, I understand he felt it was a barrier to his claim that Revolut asked him to return the goods first. But under the chargeback rules, Revolut were not allowed to proceed with the claim until Mr G had returned the goods and evidenced the fact. So they weren't blocking his claim – they were actually helping it along. Revolut can't change the chargeback rules, and neither can I. I'm only here to look at whether Revolut acted appropriately – and I think they did.

The evidence Revolut asked for was needed for Mr G's claim, and was relevant and reasonable. They were asking for it to help Mr G, to make sure that his chargeback had the best chance possible of going through.

I understand Mr G is unhappy that he needed to provide this evidence himself, and I realise it would've caused him some degree of trouble. But again, I'm afraid that's how the chargeback works. It was his responsibility to gather the evidence to support his own claim. Indeed, most of the required evidence could only reasonably have come from Mr G.

I can see that on occasion, Mr G sent Revolut evidence that was similar to what they were asking for, but not quite right. And they correctly explained it wasn't quite enough and clarified exactly what they needed. I think that Revolut's initial explanations were clear, and that their follow-up explanations were polite and helpful.

I appreciate that Mr G would've liked advice on other legal routes. And I understand he may have thought that since Revolut could help with the chargeback, they might be able to advise him more widely on consumer rights and legal points. But here, Revolut were just the card company who he happened to put the payment through with – they were not, for example, a consumer rights group or his solicitors. Revolut explained that they couldn't help with the consumer rights issues; they could only do a chargeback. And that seems reasonable in this particular situation.

I've gone through Mr G's correspondence with Revolut, and I cannot see that they ever said or implied that he was a liar. I think they were polite throughout. I can see that Revolut initially said they didn't feel the item was that different to its description, and tried to manage Mr G's expectations about the chance of success. I appreciate that that may have felt disheartening for Mr G, but I think it was reasonable. Chargebacks are voluntary, are not guaranteed to work, and this was Revolut's reasoned opinion. They agreed to help Mr G anyway.

Indeed, I think Revolut were very pro-active in chasing Mr G and making sure the chargeback route was still open to him. They explained how the scheme worked including the deadlines and timescales, asked for appropriate evidence, and pointed him to where he could get more detailed information on the scheme. They responded to his correspondence promptly and acted quickly within the timescales. And ultimately, they got Mr G his money back, using a voluntary scheme to help him when they were not required to.

From the evidence I've been given by both sides, I have not found that Revolut did anything substantially wrong here.

My final decision

For the reasons I've explained, I don't uphold Mr G's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 24 July 2020.

Adam Charles
Ombudsman