

The complaint and what happened

Mr A is unhappy Revolut Ltd refuses to refund six payments he thought he was making to a gambling platform.

The circumstances that led to this complaint are well-known to both parties, so I won't repeat them in detail. I'll recap the key points, and focus on giving reasons for my decision:

- In November 2020 Mr A opened an account with an overseas, online gambling platform and used his Revolut card (as well as cards with other providers) to add money to the account. He complained to Revolut when he was unable to withdraw any money from the platform. He says the platform was a scam and the money should have been reclaimed in line with Mastercard's chargeback rules.
- After the complaint was referred to this service, Revolut offered to refund approximately £1,600 to Mr A. Our investigator didn't think Revolut had done anything wrong and concluded that the offer was fair. Mr A accepted this but then Revolut withdrew the offer, saying it had been made by mistake. They offered £100 compensation to recognise any confusion Mr A may have been caused, which the investigator thought was fair and reasonable. Mr A disagreed and said he'd already repaid some debts in expectation of receiving the original offer. He asked for his complaint to be reviewed by an ombudsman.

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 agree with the investigator's conclusion that Revolut isn't required to refund the six disputed transactions. I say this for the following reasons.

Where evidence is incomplete, inconclusive or contradictory, I have reached my decision on the balance of probabilities – in other words, what I consider is most likely to have happened in the light of the available evidence and the wider circumstances.

The gambling platform website Mr A has pointed to is no longer active. But, from what he's said and from what I've found through my own research, I think the platform was based overseas. In my experience, it's not unusual for UK consumers to choose to use overseas gambling platforms because they're often less restrictive than UK-based ones. But overseas platforms are often less scrupulous too. I acknowledge there are some negative reviews online about this particular platform. But I've also seen some positive reviews from around the time Mr A used it. And some later reviews which suggest the platform has returned money to some consumers, albeit after repeated chasing. Overall I'm not persuaded that this particular gambling platform was a scam. I say this despite Mr A's assertion that other card providers have refunded some other payments he made. This decision has been made taking into account all the available evidence as well as the rules, regulations and best practice that apply in this particular case against Revolut.

Mr A's recollections of events is somewhat inconstant. He's indicated to this service that he didn't actually gamble the money he paid to the gambling platform and he provided a screenshot to this effect. But that screenshot is from a platform with a slightly different name to the one he originally gave to Revolut. And, in contrast, Revolut has provided a screenshot he gave them which shows the correct platform name and multiple gambling transactions. I also question why Mr A would send six payments, over approximately 24 hours, totalling close to £4,000 to a gambling platform if he wasn't actually gambling the money after it arrived at the platform. He's also confirmed he sent money to the platform using other payment cards. I think it's more likely than he did gamble the money after making the payments and I've seen nothing which supports his assertion that he then tried to withdraw any of his original stake or any winnings or that any such requests were refused.

Mr A complained to Revolut that the gambling platform took larger amounts to what he'd authorised, converted his money into a different currency and the two merchants' names on his statement don't match the gambling platform's name. But I also note that:

- The evidence provided by Revolut suggests that the first two payments Mr A tried to make to the gambling platform were declined. The first because he had insufficient money in his account to cover the £693.86 payment which, I note, was made after he topped up his account by £650. And the second was declined because it was flagged by Revolut's fraud detection system which then, apparently, required Mr A to unlock his debit card. The third payment attempt, for £533.86, went through. Mr A then topped up his account several more times, in between making payments to the gambling platform. And one other, subsequent payment to the platform was declined. The amounts Mr A topped up his Revolut account by were similar to the amounts that then left his account. And I think he ought to have noticed each time if the amounts being debited differed from the amounts he'd authorised the gambling platform to take. Overall I don't accept his suggestion that the merchant took more from his account than he had authorised or that any currency conversions that took place weren't expected, and accepted, at the time by Mr A.
- I think it's more likely than not the first merchant's name showing now on Mr A's account activity would also have been visible at the time he was making the payments. As I've said, the first two transactions were declined and Mr A added money to his Revolut account before he managed to make a successful payment out. So it's likely he would have seen the merchant's name before any money actually left his account. Yet this didn't stop him attempting further payments. Revolut wouldn't have known about this discrepancy and so I don't think, in the circumstances, they ought to have had any concerns about this. Nor do I think this name mismatch means a chargeback would have been successful.

In light of the above, I don't think Revolut ought to have proceeded with the chargeback claim. For this card scheme, chargebacks are available for transactions in which a value is purchased for gambling, investment, or similar purposes. But there are no chargeback rights related to the use of these chips or value, unspent chips, or withdrawal of such value, or any winnings, gains or losses resulting from the use of such chips or value. Nor do I think Revolut ought to have otherwise intervened in, or prevented, the disputed transactions.

I understand Mr A's disappointment when Revolut withdrew the original offer. But mistakes are sometimes made and it was Mr A's choice to repay some debts before actually receiving the award. With this in mind, and because I don't think Revolut ought to refund any of the disputed transactions, I can't fairly instruct them to pay the original offer. I also think the more recent £100 offer of compensation is fair and reasonable in all the circumstances.

My final decision

My final decision is that Revolut Ltd should pay £100 to Mr A.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 7 February 2023.

Ruth Hersey
Ombudsman