

The complaint

Mr G is unhappy about Revolut Ltd's decision not to refund an online card payment he made. He also complains about the customer service he received from Revolut.

What happened

The circumstances of this complaint are well known to both parties, so I will not repeat them all again here in detail. But I will provide an overview of events below.

Mr G says he purchased a single product online (using his Revolut card) from a company I will refer to as M in this decision. He says he believed he would be paying M £89 for the product and that it would provide free Wi-Fi for life. However, Mr G was in fact charged £265 and received more than one of the products he says he thought he was purchasing. Mr G also says he has discovered that the product does not provide free unlimited Wi-Fi.

Mr G contacted Revolut and asked it to refund him the money concerned. As this did not happen, Mr G raised a complaint which he referred to our Service

One of our investigators considered the complaint and did not uphold it. As Mr G did not accept the investigator's findings, the complaint has been passed to me to make a decision.

What I have 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 conclusions reached by the investigator for reasons I set out below.

But first, I would like to say at the outset that I have summarised this complaint in far less detail than the parties involved. I want to stress that no discourtesy is intended by this. If there is a submission I have not addressed, it is not because I have ignored the point. It is simply because my findings focus on what I consider to be the central issues in this complaint.

Fraud

Mr G says that he made an online card payment to M for a single product amounting to £89. However, Mr G was in fact charged £265 (in a single transaction). Mr G argues that this was fraud.

For me to treat Mr G's transaction as fraud, I would have to be satisfied, under the Payment Services Regulations 2017, that it was unauthorised. That is, the transaction was not authenticated and/or Mr G did not consent to the execution of it.

As Mr G agrees he made a transaction to M (albeit for a different amount), I am satisfied that it was authenticated. So, I will now turn to the issue of consent.

Mr G accepts that he did consent to a transaction amounting to £89, but not for £265. Having considered this, I am persuaded Mr G did consent to the £265 as well. I say this because under the 2017 Regulations, the fact Mr G claims he did not get what he paid for: does not negate his authorisation of the single transaction he made. In other words, Mr G's belief in what he says he thought he was paying for and the corresponding amount – does not mean, under the 2017 Regulations, he did not authorise the £265 transaction.

For the above reasons, I find that the £265 transaction was authorised by Mr G.

Chargeback

Chargeback is an entirely voluntary scheme, which means banks are under no formal obligation to raise a chargeback claim. The scheme operator can ultimately arbitrate on a dispute between the merchant and customer if it cannot be resolved between them. However, such an arbitration is subject to the rules of the scheme – so there are limited grounds on which a chargeback can succeed. My role is to determine whether the regulated card issuer (in this case, Revolut) acted fairly and reasonably in its decision not to continue with the chargeback claim it raised on behalf of its cardholder (in this case, Mr G).

In addition to Mr G's complaint point about the amount M charged him, he has also told this Service, amongst other things: *'Not only that the company (or rather fraudsters) gave a completely incorrect description of the product. They advised the product would produce free WiFi for life. As soon as they took the money they advised charges for the wifi.'*

Based on the evidence before me – particularly M's defence in the chargeback process – I am persuaded, on balance, that Mr G made the purchase amounting to £265. I am particularly persuaded by the payment journey Mr G would have gone through; the checkout information he would have been presented with; and the order summary emailed to him thereafter. Moreover, I have not been provided with anything to support that there was, for example, an error with M's website at the time.

Further, it appears that at the time, Mr G asked Revolut to dispute the transaction on the basis of the amount he paid – not that he was promised the product would provide free Wi-Fi for life. With this in mind, I am satisfied Revolut raised the chargeback it did on the correct basis.

For the above reasons, I do not find that Revolut acted unfairly or unreasonably by not continuing with the chargeback process on Mr G's behalf.

Service-related issues

To my mind, Revolut provided Mr G with the service I would expect in the circumstances of his complaint.

As the investigator set out in her findings, it is a matter for Revolut to decide how it will communicate with its customers. In relation to the Revolut App, I find that Revolut responded to Mr G in a reasonable amount of time. In fact, I can see occasions in the App where Mr G himself did not engage with Revolut – despite it chasing him.

Whilst I acknowledge Mr G says he was not able to raise his dispute properly in the first instance – this was remedied by Revolut in a timely fashion and resulted in Mr G's chargeback claim being ultimately unsuccessful.

Finally, I acknowledge Mr G would like Revolut to raise this matter with the police. However, this is not something I would expect Revolut to do – there is certainly no obligation on it to do so given the circumstances of this case.

My final decision

For the reasons set out above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 15 November 2022.

Tony Massiah
Ombudsman