

The complaint

Mr H complains that Revolut Ltd (“Revolut”) didn’t provide enough support to help him stop gambling. Mr H believes that Revolut should’ve done more as there were high levels of gambling transactions shown on his account.

What happened

In November 2023 through Revolut’s webchat Mr H disputed a number of payments to a merchant – a casino based outside the UK - which he said was operating fraudulently. Mr H raised further chargeback claims with other merchants – casinos and bookmakers - who he felt shouldn’t be operating in the UK. At no point did Mr H say he had a gambling disorder or that his gambling was out of control or that he wanted help with it.

On 28 February 2024 Revolut’s webchat history shows that Mr H informed it he had put a gambling block on his account and asked that Revolut ensure it is never allowed to be removed. Revolut explained that it was unable to block gambling permanently from its end but the block would remain until Mr H lifted it.

Revolut have explained that when a gambling block is enabled a message advises the customer that Revolut will try and stop gambling transactions, but if some go through the customer will still be liable for the transaction.

On 15 March 2024 Mr H asked Revolut’s chat assistant to block all transfers to a specific merchant. It responded by giving instructions on how Mr H could do this but explained it was not able to do that itself.

On 15 April Mr H advised the chat assistant that he’d disabled the block and asked how long he had to wait before it would turn off. Mr H was advised the transaction had been blocked and it would take 48 hours to allow payments to gambling sites again. The chat assistant also advised that if Mr H turned off the block he would still be liable for any successful gambling transactions and that a recent transaction had been declined due to the gambling block.

On 18 May Mr H advised Revolut that he had a serious gambling problem and complained about its failure to protect him. Revolut didn’t uphold Mr H’s complaint as the gambling block had worked as intended by blocking any payments to merchants registered with gambling MCC codes and there wasn’t anything more it could do to block transactions if the merchant didn’t use the correct code. It provided a link to an article about what additional action could be taken by those concerned about their gambling and also provided the contact details of support agencies who could assist.

Mr H was unhappy with this and brought his complaint to this service. He says Revolut failed to provide protection and did not intervene resulting in the loss of over £150k during the last 12 months.

Our investigator looked at all of this and thought although there could be cause for concern given the number of gambling transactions on Mr H’s account this alone wouldn’t be enough

to trigger an investigation. They thought Revolut had correctly advised how the gambling block worked and its limitations and that Mr H would be liable for the successful gambling transactions he made. And when Mr H made Revolut aware of his gambling problem it offered the appropriate support by providing him with information about services which could help him.

Ultimately, they thought it was Mr H's choice to remove the gambling block and that it wouldn't be fair to hold Revolut responsible for this or for the actions of gambling merchants who miscategorise their merchant codes and so didn't think Revolut should refund any of the money Mr H spent on gambling.

Mr H disagreed and asked for an ombudsman's decision.

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.

It might help if I explain my role is to look at problems that a consumer has experienced and see if the business has done anything wrong or treated the consumer unfairly. If it has, we seek to put the consumer back in the position they would've been in if the mistakes hadn't happened. And we may award compensation that we think is fair and reasonable.

Mr H doesn't believe Revolut provided enough support and failed to protect him from his gambling when it didn't intervene despite a number of gambling transactions showing on his account.

I sympathise with Mr H and the gambling struggles that he has and I hope he is now in a position where he is getting the right help and support for this. It might be helpful for me to say here that, as we are not the regulator, I cannot make a business change its systems or processes – such as what it must have in place to assist customers with their spending or what accounts should be monitored for. We offer an informal dispute resolution service and we have no regulatory or disciplinary role.

That said while I wouldn't tell Revolut what tools it needs to have in place to support a customer with a gambling addiction and nor would I expect it to monitor an account for gambling transactions - indeed, gambling isn't illegal and a customer should be free to spend their money as they please. But I would expect a bank to step in and offer appropriate support where I consider it should've reasonably become aware there might be a problem.

I've thought very carefully about whether Mr H's account activity should've been enough to alert Revolut that something may have been wrong and that it needed to step in. And although the statements do show large amounts of gambling activity, I don't think this on its own is enough to suggest there is a problem and that Revolut should've stepped in and offered support.

The statements show that Mr H's account doesn't have any lending attached to it such as an overdraft and that it doesn't appear to be his main account where his essential bills are paid from - but rather an account used for leisure activities. The account had regular credits in and there wasn't anything obvious which could've alerted Revolut to take a closer at the activity on the account.

So although the statements show gambling activity, I don't think it could be reasonably concluded that this on its own pointed to signs that Mr H might be having difficulties and spending in a way that was detrimental to him and that Revolut should've stepped in.

Indeed, despite Mr H raising concerns about some of the transactions on his account his concerns were to do with the merchant themselves and not the gambling transactions.

And when Mr H asked Revolut about blocking gambling transactions I think Revolut provided the appropriate advice and direction for Mr H to successfully use this tool and assist him as well as making Mr H aware that it couldn't block every transaction and that he'd still be liable for the transactions that weren't caught or blocked which I don't think is unreasonable.

I say this as gambling blocks work by blocking transactions that match merchant codes recorded as gambling. Merchant codes are applied by the merchant and not the business or bank. This means that if a customer makes a transaction that doesn't have a merchant code linked to gambling, the bank wouldn't be able to block the transaction.

I don't think Revolut should be penalised for the limitations in the tools it has for supporting customers with a gambling problem that are out of its control. Not being able to easily block all gambling transactions because the merchant doesn't categorise them as gambling, isn't an error on Revolut's part – it simply isn't possible.

In Mr H's case Revolut has shown that Mr H was able to successfully use the gambling block tool to both apply the block and to disable it. And that providing the merchant had been categorised correctly when the block was applied the gambling transactions were blocked.

I note that Mr H had the ability to switch on and off the gambling block on his account whenever he wanted to and could circumvent the block by making bank transfers to merchants that Revolut couldn't block. But I don't think this means Revolut treated Mr H unfairly. Nothing is fool proof and the gambling block isn't a cure, it is there to act as a deterrent and to assist Mr H in managing his money by adding an extra step when he wishes to gamble and forcing him to think about what he is doing when removing the block. And I don't think it would be fair to expect Revolut to make those decisions for Mr H or deny him the ability to make that decision.

However, I do think when Mr H enquired about the gambling block Revolut could've provided more information on other help and support available for those with a gambling problem as it did in its final response letter. I say this as although Mr H still hadn't directly asked for help or told Revolut he had a gambling problem, enquiring about a block in itself, I think, is enough to indicate there might be a problem.

But I think even if Revolut had provided this information earlier it wouldn't have made a difference as Mr H was already aware of organisations that could help and was registered with a third-party gambling support service and was already utilizing the main gambling tool Revolut had available and was disabling the block whenever he wished to gamble. Mr H has told this service that even when gambling blocks were in place he was able to get around this by using various sites or by making transfer deposits to third party sites not blocked. Furthermore, my understanding is that despite being given information on other support available to him, Mr H continued to gamble following this.

So although I think Revolut could've potentially provided information on support for Mr H sooner than it did, I don't think it would've made a difference as I'm not persuaded Mr H wouldn't have still gambled and so I don't think it would be fair to ask Revolut to refund Mr H for his gambling transactions.

My final decision

For the reasons I've explained, I do not uphold Mr H's complaint against Revolut Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 21 November 2024.

Caroline Davies
Ombudsman