

The complaint

Mr S complains that Lloyds Bank PLC did not seek the return of money he had paid to a gambling website, even though he did not receive the service he had paid for.

What happened

In October 2023 Mr S made debit card three payments – two of £500 and one of £1,000 – to a gambling website with which he had opened an account.

Shortly afterwards, the site blocked Mr S's account and asked him to provide proof of identity. Mr S has explained that he was unable to do so, as the only photographic identity he has is an expired provisional driving licence, which the site would not accept.

Mr S therefore asked for his funds to be returned. But the website would not return his money without seeing photographic identification.

Mr S contacted Lloyds and asked that it make a chargeback request. The bank replied, asking Mr S to provide more information about the dispute, including a detailed description of the service which was to be provided and a copy of the purchase invoice. Mr S replied by email on 2 November 2023, explaining that he had been allowed to deposit funds without an identity check, but that the site had then blocked his account when he was unable to prove his identity.

Lloyds replied on 9 November 2023, saying that it needed further information, including supporting documents. Mr S replied the same day. Lloyds said that it did not receive that reply and so did not take matters any further. By the time Mr S chased the matter up, the bank said that it was too late for it to make a chargeback request; the 120-day limit for doing so had expired.

Mr S complained to Lloyds and then to this service. He said that the bank's handling of the matter had meant that he had lost the opportunity of receiving his money back through chargeback.

Our investigator did not recommend that the complaint be upheld. In summary, he concluded that, even if the bank had dealt with Mr S's email of 9 November 2023, the outcome would have been the same, since Mr S was unable to provide the information needed to support a chargeback request.

Mr S did not accept the investigator's assessment and asked that an ombudsman review the case.

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 have reached the same overall conclusions as the investigator did, and for similar reasons.

Chargeback is a process operated by the card schemes (in this case, Visa), under which certain disputes about card payments can be resolved. Amongst other things, it may be suitable where services have been paid for but not supplied. That is what Mr S says happened in this case.

However, it is generally not sufficient simply to allege that services have not been provided. It is usually necessary to provide supporting documentation, such as the terms and conditions on which the service was to be provided and details of attempts to resolve the issue directly with the merchant. Lloyds explained what was needed to Mr S.

Mr S says that he replied to the bank's request for information in an email of 9 November 2023. I am satisfied, on balance, that he did send that email, and I have no reason to think it was not received. It was not, however, acted on.

Be that as it may, Mr S's email did not in my view provide the information needed for a successful chargeback. It explained why Mr S was unable to prove his identity and that the Gambling Commission had advised that the gambling business could not act in the way it had. But there was no evidence of the terms of Mr S's agreement with the merchant or of the steps he had taken to recover money from it. Perhaps more importantly, Mr S has subsequently said that he is unable to provide any more information. So, even if the bank had acted on that email, the outcome would have been the same; Mr S would not have received a refund. It would not therefore be fair to require Lloyds to reimburse him.

Mr S has complained too about the way in which the bank treated him when he raised a complaint, suggesting that it is guilty of malicious communication. I have however listened to recordings of two calls Mr S had with Lloyds in March 2024. In both cases, and despite some provocation, I think the staff members concerned handled matters calmly and professionally.

My final decision

For these reasons, my final decision is that I do not uphold Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 22 May 2025.

Mike Ingram

Ombudsman