

## The complaint

Mr I complains that Revolut Ltd didn't do enough to help him when he told it about a dispute he had over services paid for using his Revolut debit card.

## What happened

On 14 January 2025 Mr I attempted to purchase flights via a third-party travel agent. The cost of the flights were £260.82. However, he says the booking failed due to the airline having payment issues and he didn't receive an email confirmation of the booking.

Mr I proceeded to book the flights directly with the airline. The cost of this booking was £257.82. Mr I contacted the third-party travel agent who confirmed the first booking had failed.

However, both payments went through and were featured on Mr I's bank statements. Mr I contacted both the airline and the third-party travel agent to query the matter. However, he was told by both parties to raise a dispute with his bank.

Mr I contacted Revolut who raised a chargeback on his behalf that the services paid for, weren't received. The merchant (the airline) responded with evidence that the booking had gone through. Persuaded by this, Revolut decided not to pursue the matter further. Mr I argues that Revolut failed to handle the claim fairly, as it just accepted the merchant's response without querying it further with him. Revolut didn't uphold his complaint, as it felt it had handled the claim fairly.

Unhappy with Revolut's conclusion, Mr I raised a complaint which he subsequently referred to our service. One of our investigators considered the complaint and upheld it. They didn't think Revolut had handled the claim fairly. Revolut didn't agree and so the complaint has been passed to me to consider.

I issued a provisional decision, upholding the complaint but for different reasons to the investigator. Below is a copy of my provisional decision (which forms part of this decision).

*A chargeback is the process by which payment settlement disputes are resolved between card issuers and merchants, under the relevant card scheme rules. It allows customers to ask for a transaction to be refunded in a number of situations, some common examples being where goods or services aren't provided, or where goods or services aren't as described.*

*There's no automatic right to a chargeback; the chargeback process doesn't give consumers legal rights; and chargeback is not a guaranteed method of getting a refund because chargebacks may be successfully defended by the merchant. This is because the rules, set out by the card scheme lay down strict conditions which must be satisfied for a chargeback claim to succeed. If a financial business thinks that a claim won't be successful, it doesn't have to raise a chargeback. But where there's a reasonable chance of success, I'd expect a financial business to raise a chargeback.*

*Having reviewed Mr I's bank statements, it's clear there were two payments which went through, and both have recorded the airline (in full) as the merchant. Mr I made the first*

booking for £260.82 via an online third-party travel agent. He's said that during the payment process something went wrong (he assumes a problem with the airline's payment system) and it didn't appear the payment had been made. Mr I made another booking, this time directly with the airline, which he says did go through. He says this was the £257.82 payment.

Mr I queried the initial payment with the travel agent. He has provided a screen shot which shows the travel agent confirmed there was a failed transaction. It gave the final four digits of Mr I's card to confirm the card which the payment was attempted from. The third-party travel agent explained "that means the card does not go through and no reservation is confirmed." It assures Mr I that the amount has been held and it will be "dropped" i.e. released in up to 72 hours. Mr I then expresses relief that he won't be charged twice. This screenshot was provided to Revolut as part of Mr I's initial evidence. So Revolut, when raising the chargeback, was aware of what the travel agent had told Mr I.

Mr I also provided the following details about the chargeback. He told Revolut that this was a chargeback for not having received the goods (i.e. goods and services not received). And that "[airline] had booking issues and [travel agent] charged me with no booking made". Whilst the details provided at this stage were limited, I also can't see Revolut made attempts to query this or gather further information.

Revolut submitted the chargeback with the above information. In response the merchant, the airline, provided evidence to show that the booking for £260.82 had gone through on its system. Based on this, Revolut declined the claim. It had the option of pursuing this further, but found the response persuasive and so declined the dispute. I can't see that prior to this, the merchant's evidence was put to Mr I to comment.

On the day the dispute was declined (4 February) Mr I contacted Revolut via its online chat. Revolut has provided copies of these messages. I can see that from this conversation Mr I provided a screenshot of a longer copy of the exchange with the travel agent (detailed above) and further messages from the travel agent recommending he disputes this payment with his bank. In addition, he provides Revolut with screenshots of his exchange with the airline. In these messages the airline states that the reference for the booking with the travel agent went through, however the other booking was declined.

The following day Mr I provides further screenshots of messages between himself and the travel agent to Revolut. He explains that the travel agent has reached out to the airline on his behalf. The screenshot shows the travel agent provides Mr I with a quote from the airline who confirmed the "ticket was already refunded by the bank via chargeback."

By this point (if not earlier) I think Revolut had reason to question the evidence which the airline had provided in defence of the chargeback. The information Mr I had provided suggests that the airline had confirmed to him that the payment had gone through for the ticket arranged by the travel agent, but that his subsequent second booking had been unsuccessful. However, it then appears that the airline had told the travel agent that a payment had been refunded through chargeback. I can't see why the airline would be discussing the subsequent payment with the travel agent, when Mr I has said this purchase was made directly to the airline. So it's most likely the airline was talking about the same ticket purchase, which was made through the travel agent, and that it had defended via chargeback.

Revolut had a responsibility to consider the additional evidence which had been provided and decide whether or not to pursue the case to arbitration. On the facts Mr I wasn't initially presented with the merchant's defence and given the chance to comment before Revolut declined his claim. On the same day that Revolut declined his claim (and in the days immediately afterwards) Mr I was able to provide further evidence which called into question the defence the merchant had provided. And I think Revolut should have considered this. However, I can't see that it took any steps in response to the evidence Mr I provided.

I've noted Revolut's argument that we only have Mr I's word that he didn't receive an initial booking confirmation. However, Mr I has been plausible and consistent, and I'm persuaded by

*his version of events that he only received one ticket. I'm also mindful that although the merchant has provided evidence that the booking was made, it hasn't provided evidence that this was communicated to Mr I and therefore that the service (at this stage providing confirmation of the ticket reservation) was provided to Mr I.*

*Revolut has also argued that as the merchant on record was the airline, the evidence from the travel agent isn't relevant to the chargeback. However, I don't agree. Relevant third-party evidence can be provided to support a chargeback claim. The information from the travel agent helps to support Mr I's version of events and is directly relevant to trying to establish what happened.*

*Taking everything into consideration, I accept that I can't know for sure what happened as there is conflicting information. I also acknowledge that it's possible that it was the other payment which should have been disputed (although it this was the case there is arguably still failings on Revolut's part for not exploring this further with its customer). However, based on all the evidence which is currently available, I think it's most likely the correct payment was disputed and Mr I's claim had a reasonable prospect for success. There is clear evidence to question the defence provided by the merchant, given it appears the merchant subsequently contradicted itself. I appreciate this information came via the travel agent quoting the merchant, but I have no reason to doubt that this is an accurate reflection of the exchange which had taken place. And crucially the merchant hasn't evidenced the confirmation was sent to Mr I in respect of the disputed booking. The testimony from Mr I and supporting evidence also supports this argument. I can't see why Mr I would have wanted two tickets in his name for the same flight. So, if he had received the ticket from the first booking, I don't see why he would have continued with the second booking or queried the first booking with the travel agent. So, taking everything into consideration, I don't think Revolut has treated Mr I fairly in the handling of this claim and I think Mr I has lost out because of this.*

*I have also considered the impact this issue has had on Mr I. I accept that the initial problem with the booking wasn't caused by anything Revolut has done. However, I think the way Revolut had handled this claim, specifically in not engaging or considering the additional evidence Mr I has provided or sharing the merchant's defence with Mr I for comment before declining the claim, was likely to be additionally distressing to him. It also contributed to Mr I being passed between the merchant, the travel agent and Revolut on several further occasions to try and find a resolution. So I think Revolut should also pay Mr I a £100 distress and inconvenience payment for the trouble and upset Revolut's actions will have caused him.*

*For the avoidance of doubt, the award I'm making in this case is not to "punish" Revolut for failings by the merchant or the travel agent as Revolut has argued. Firstly, it would be helpful to explain that the Financial Ombudsman Service is not the regulator and as such has no powers to punish Revolut. What I have considered is the individual circumstances of this complaint. Mr I has complained about how Revolut has handled his claim. Having explored the matter impartially, I have provisionally found that there were failings in how Revolut handled the claim. Whilst the matter may have arisen due to the action or inaction of other parties, Revolut still had responsibilities to Mr I in the handling of this claim, and I think it has made errors in relation to this. And on the balance of probabilities given all the evidence I've been provided with, I think that had Revolut treated Mr I fairly in the handling of the claim, the claim would most likely have been successful.*

In response Mr I accepted my provisional decision. Revolut didn't accept my provisional decision and provided a number of arguments in response.

### **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'm still upholding this complaint for the reasons set out in my provisional decision (which forms part of my decision).

I've read everything that the parties have said, but I'll concentrate my comments on what I think is relevant. If I don't comment on a specific point it's not because I've failed to consider it, but because I don't think I need to comment in order to reach a fair and reasonable outcome. And our rules allow me to do this. This reflects the nature of our service as a free and informal alternative to the courts.

To summarise, I don't think Revolut handled the chargeback fairly and that Mr I has lost out because of this.

As explained in my provisional decision, Revolut gathered limited information from Mr I about the events which had taken place when raising the chargeback. I take Revolut's point that it was not representing Mr I in a similar way to a legal representative. However, as highlighted in Revolut's final response letter to the consumer "*Revolut's primary goal when handling such requests is to protect our customers*". To achieve this, I think it's reasonable that Revolut would at least ask some basic questions about the events which had taken place. I'd also consider it good customer service and in line with treating your customer fairly to take these steps.

Upon receiving the merchant's response, Revolut decided not to pursue the chargeback further. I accept, as Revolut has argued it may not have been specifically required to share the merchant's response with Mr I. However, again I think at least sharing the key details of why it was defended with Mr I would have been good customer service. The details were only shared when Mr I contacted Revolut for an update.

As explained in my provisional decision Mr I then provided further persuasive evidence which should have given Revolut reason to question the merchant's response (if it hadn't already done so). And I believe at this point Mr I had given Revolut sufficient evidence to suggest the chargeback had a reasonable prospect of success. The evidence I've detailed above includes:

- A screenshot with a more complete exchange between Mr I and the travel agent after the problems with the initial payment. In this, the travel agent confirms the payment has been cancelled and no reservation was confirmed.
- A screenshot of Mr I's exchange with the airline confirming the payment for the transaction in question (involving the travel agent) had gone through and it was the other payment which hadn't gone through. However, the airline then goes on to contradict itself by saying the flights for the booking involving the travel agent "*have already been removed*" and he should contact the travel agent for a refund.
- A screenshot from the third-party travel agent to Mr I. In this the travel agent explained it had contacted the airline on his behalf and had been told the airline had said "*According to our records ticket was already refunded by the bank via chargeback. Please ask the cardholder to check the refund amount with the concerning bank.*"

Revolut has challenged the authenticity of the information from the travel agent (in relation to the quote from the airline). It has also highlighted that it would be in the travel agent's interest to shift liability. It has then said that the airline could have simply said it was refunded as this is how it would have appeared while the chargeback was disputed and

before the merchant had defended it.

Firstly, I'm not persuaded that it's more likely than not this was not a genuine quote from the airline to the travel agent. However, this could have been easily verified by the merchant if Revolut chose to do so. Furthermore, Revolut appears to have gone on to accept the quote and argued that this was because the amount was being disputed via chargeback and had not been defended yet. I accept this is possible; however, I would have expected the airline to have understood the distinction between the chargeback having been successful (which is what the quote suggests) and it being temporarily refunded while it is still in dispute. In any event I think this highlights my point that there is clear conflicting evidence and reason to pursue the matter further.

Revolut has also questioned whether third party evidence would even be considered as part of the chargeback process. As explained in my provisional decision there are circumstances where third party evidence can be relied on such as expert assessments. I think the evidence Mr I has presented from the travel agent is relevant to supporting the argument raised and I've seen nothing in the chargeback rules which expressly states this wouldn't be considered.

Ultimately, I think Revolut has failed to engage with the evidence Mr I provided, and Mr I has lost out on the opportunity to have his chargeback considered further. And in this case, I think the evidence provided by the merchant was weak. Mr I has argued that he didn't receive the service i.e. the ticket and the defence failed to provide evidence that he had. Together with this, the supporting evidence Mr I provided raises a number of questions about what did happen, leading me to conclude that Mr I's chargeback had a reasonable prospect for success. I'm not saying it's definitive that it would have been successful, only that based on what I've seen there was a reasonable prospect of this happening. And so on balance, I don't think Revolut handled the chargeback claim fairly and I think Mr I has lost out as a result of this.

### **Putting things right**

- To put things right in this case Revolut should pay Mr I the £260.82 disputed payment. It should also pay 8% simple interest on that amount from the date it declined the claim (4 February 2025) to the date of settlement. †
- In addition, Revolut should pay Mr I £100 for the distress and inconvenience this matter has caused him.

† HM Revenue & Customs requires Revolut to take off tax from this interest. Revolut must give Mr I a certificate showing how much tax it's taken off if he asks for one.

### **My final decision**

For the reasons explained above, I uphold this complaint against Revolut Ltd and require it to put things right in the way I've described above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 1 December 2025.

Claire Lisle  
**Ombudsman**