

The complaint

Mr W has complained about how Revolut Ltd (Revolut) handled a refund claim he made to them.

What happened

As all parties are familiar with this complaint, I'll only summarise the key background where necessary within my findings below.

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.

I've read and considered the evidence submitted by the parties but won't comment on it all – only the matters I consider to be central to this complaint. This isn't intended as a discourtesy but reflects my role in resolving disputes informally.

It's important to note that Revolut aren't the provider of the services here – so in deciding what is fair and reasonable, I'm looking at their particular role as a provider of financial services. In doing so I note that Revolut has referred to their consideration of a chargeback claim here so I've focussed on this.

Chargeback

Chargeback is the process by which settlement disputes are resolved between card issuers and merchants. A consumer isn't entitled to chargeback by right. But where there are grounds to raise one and it has reasonable grounds for success, it is good practice for one to be raised by the card issuer.

However, a chargeback isn't guaranteed to succeed and is governed by the limitations of the particular card scheme rules (in this case Mastercard). I've considered the relevant chargeback rules in deciding whether Revolut acted fairly.

Mr W has complained about how a car rental firm I shall call 'D' handled a complaint he made to them regarding a booking cancellation. Mr W was due to collect a vehicle in January 2025 from them but was informed on pick up that they had been overbooked. He therefore had to make other arrangements.

While Mr W didn't enter into a rental agreement with D, they agreed to refund him for consequential costs because of the overbooking. This was for two refunds of \$75.00 and \$131.32, however D refunded him for these two amounts twice and then incorrectly advised him that he had been refunded correctly.

To correct this, D then applied further card charges for two of the amounts to recover these which then resulted in Mr W entering a negative balance on his Revolut account. Mr W therefore contacted Revolut to raise a chargeback claim for these amounts and also complained about the fact that they had allowed these charges to proceed.

Did Revolut act reasonably in declining the chargeback claim?

I've reviewed Mastercard's chargeback rules and I don't think there is an appropriate code for this circumstance as it is quite unusual. In addition there hasn't been any actual payments to D using his debit card for these to be subject to a chargeback.

In addition Revolut has said that when the chargeback claim was raised with them on 11 May 2025, they didn't have sufficient information to progress the claim. While I appreciate Mr W has said that he provided the required submissions, I don't think this is relevant here because I can't see how this would've succeeded under Mastercard rules in any event.

Mr W didn't ultimately have a contractual agreement with D and these payments were as a gesture of goodwill and so there wouldn't have been a prospect of chargeback under those circumstances.

Mr W has provided some additional comments regarding the refunds and said that as D stated in an email of 13 May 2025 that the credits and refunds were 'accurately processed' and there was no mention of an over-refund error, there was no valid reason for a reversal. However Mr W also explained D's refunds in his correspondence to this service of 21 October 2025 as follows:

- 16 April 2025 - \$34.08 – reimbursement of a subsequent uber fare
- 3 May 2025 - \$75.00 – partial refund towards the subsequent alternative rental made with another provider
- 3 May 2025 - \$131.32 – partial refund towards the subsequent alternative rental made with that same provider

And then Mr W specifically described the additional two refunds as follows:

- 4 May 2025 - \$75.00 – Duplicate of earlier refund (unexplained by D)
- 4 May 2025 - \$131.32 – Duplicate of earlier refund (unexplained by D)

While D confirmed by email on 5 May 2025 that the credits and refunds had been accurately processed, this followed the two additional refunds made on 4 May 2025 which Mr W himself identified as duplicates. That confirmation therefore doesn't explain why those duplicate amounts were paid, nor does it alter the fact that Mr W received more than D had intended to refund. In those circumstances, I'm satisfied it was reasonable to conclude the additional amounts had been credited in error and were likely due back to D.

To address this, D applied two charges to attain these payments back. While I appreciate Mr W says Revolut shouldn't have allowed these charges to go through, I consider it reasonable to conclude that he ought to have been aware that these additional amounts were likely refunded in error and may be due back to D.

I therefore can't say that Revolut did anything wrong processing these charges. While Mr W is entitled to raise this further with D and why they didn't communicate they'd be making these further charges, I can't say that Revolut needed to do more here.

And likewise, I don't think a chargeback claim had a prospect of success as I don't think there was a required relationship with D for the disputed amounts for a chargeback claim to be made. I therefore can't say Revolut did anything wrong in not progressing the claim further.

Mr W has also referred to the Financial Conduct Authority's Consumer Duty. However, based on the evidence I've seen, the transactions appear to have been corrections of duplicate refunds rather than unauthorised payments. In those circumstances, I don't consider Consumer Duty required Revolut to have acted differently.

Mr W also believes that Revolut's communications around the transactions weren't as clear as they should've been. While I appreciate his comments, I've insufficient evidence to say that Revolut's handling of the claim was such that any compensation would be due. I therefore won't be asking them to do anything more.

My final decision

For the reasons explained above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 12 January 2026.

Viral Patel
Ombudsman