

The complaint

Mr G complains that Payver Limited facilitated payments to an unlicensed gambling business, even though he has taken steps to prevent such payments being made.

What happened

Payver is an electronic money institution and payment service provider. Mr G lives outside the UK and has his main bank account outside the UK as well. His bank has, at his request, placed a block on card payments to gambling organisations. Mr G has also self-excluded from gambling payments under arrangements in place in his home country.

In July and August Mr G made a series of card payments, totalling over €1,200, to a gambling business, which I'll call "E". E is based outside the UK and outside Mr G's home country. He says it is not licensed in either country and is, in effect, operating illegally.

The payments which Mr G made were facilitated through Payver. They were not, however, identified as payments to a gambling business; rather, they were identified as cash payments. For that reason, the measures which Mr G has put in place to stop gambling transactions were not effective.

Mr G complained to Payver about what had happened. He said that it was wrong to allow the payments to be identified as cash payments rather than gambling transactions and that it should not be providing payment services to an organisation which it should have known was operating illegally.

Payver said that it was not responsible for the actions of E. It acted as a payment processor only and could not be expected to know about its operations. If, as Mr G alleged, incorrect merchant category codes (MCCs) were being used (so that gambling payments were classified as cash payments), that was down to E.

Mr G referred the matter to this service, where one of our investigators considered what had happened. He did not, however, recommend that the complaint be upheld. He broadly agreed with what Payver had said – namely that it, as a payment processor, could not be expected to monitor E's business.

Mr G 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 conclusion as the investigator did, and for similar reasons.

I note that Mr G says that E is or was operating illegally. It is however a company based outside the UK and outside Mr G's country of residence. Whether it is operating illegally is likely to be a matter to be decided in its own jurisdiction. There is no evidence of what licensing rules or other regulations apply there, so I make no comment on Mr G's assertion that E is engaged in unlawful activity.

I do however agree with the investigator's assessment that Payver cannot be expected to monitor the activities of merchants for which it processes payments to the extent Mr G appears to expect. Nor can it reasonably be expected to check in every case whether correct MCCs are being used or be held responsible if they are not.

I can understand why Mr G is unhappy that, having set up protections to prevent gambling payments being made from his account, he was still able to make payments, but I cannot fairly hold Payver responsible for that.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 13 May 2026.

Mike Ingram
Ombudsman