

The complaint

Miss A complains that Revolut Ltd failed to refund her for a transaction she made on her debit card, to a business I'll refer to as "the merchant".

What happened

Miss A purchased a television subscription package from a television service provider (the merchant), which came with a television set. Miss A has told us that shortly after purchasing this, she cancelled the service, and said that as a result, no goods were ever received.

In November 2023, Miss A reached out to Revolut. She said she'd been combing through transactions on her bank account and noticed a payment had been taken for an order she says she cancelled. She said she never received the goods and ended up taking out a contract with a different service provider, so she wanted Revolut to reimburse these monies to her by way of a chargeback.

Revolut considered Miss A's request in line with the chargeback scheme rules relevant to her debit card, but the chargeback was not progressed. This was because Revolut concluded that Miss A raised the request over a year after the payment was made, and the card scheme's rules required her to raise her request no later than 120 days from the card payment date. Unhappy with this, Miss A complained.

Revolut considered the complaint and reiterated that Miss A had raised the chargeback request outside of the relevant timescales, and therefore, said the chargeback could not be progressed. So, Miss A brought her complaint to our service.

An investigator considered the matter but didn't recommend Miss A's complaint was upheld. She said that the rules of the chargeback scheme required Miss A to raise her dispute within 120 days of the transaction date. But in this case, Miss A raised her dispute 389 days after the transaction date. Therefore, she didn't think it was unreasonable for Revolut not to progress Miss A's claim.

Miss A remained unhappy. So, the case has been passed to me, an Ombudsman, to decide.

I set out my provisional findings where I said the following:

"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 minded to come to a different conclusion to that reached by the investigator.

I should point out, at the start, that there was an error in the investigator's opinion; she has referred to Visa's card scheme rules, rather than Mastercard's which are the applicable rules in this case. I've kept this in mind when deciding Miss A's complaint.

I'm sorry to hear that Miss A has found herself in this position. I can imagine it must have been distressing to have realised she had not been refunded money for goods and a service that she's told us that she cancelled. To then be told she had no right

of recovery through Revolut, must have been difficult. Especially given what she's said about her personal circumstances around this time.

When deciding this case, as with any case, I need to weigh up the evidence provided by both parties in order to reach what I feel is a fair outcome. I've thought about the relevant chargeback codes that apply. And based on Miss A's circumstances, I think a chargeback could be considered either under 'Goods or Services Not Provided', which, as the title suggests, would be used when goods ordered are not received or a service requested is not provided; or, alternatively, under the 'Credit Not Processed' section, which would be used in a scenario, amongst others, where a merchant agrees to provide a refund, but then fails to process it.

In this case, Miss A has said she cancelled her purchase shortly after paying for it in October 2022. But the exact dates of when this happened are unclear. As is the date she was due to receive the goods. It's also unclear what the merchant's cancellation policy was – this has not been provided to us. Nor do I have details of whether or not the merchant was intending to refund Miss A. This is key, as if Miss A had a right to cancel with the merchant, we would need to see that she met the terms of that cancellation policy in order for the monies to be potentially recovered via a chargeback. So, based on the evidence I've seen, it seems that limited information has been provided to Revolut in order for Miss A's chargeback to be progressed, so I don't think it was unreasonable for them not to continue to progress it.

But even if I were to put the above aside for a moment and think about what a reasonable outcome might be, had we received the necessary evidence, I would then need to look at the timescales that apply to the above chargeback codes.

From the evidence provided, I can see Miss A made payment to the merchant in October 2022, following which, she said she cancelled the purchase, and no goods were ever received. So, I've taken this to mean it's likely she was expecting to receive the goods some time soon after the purchase, and therefore most likely before the end of 2022, given she's told us she cancelled the purchase before the goods were due to be received. So, it seems the cancellation request would have likely taken place some time in late 2022.

The relevant scheme rules, under both the chargeback conditions I've mentioned above, require Miss A to raise her payment dispute no later than 120 days from either the transaction date, or; the date on either the credit documentation; the date the service was cancelled; or the date the goods were returned.

In this case, no goods were ever received in order for them to be returned, and the transaction date and date the contract was taken out were both in October 2022. So, it would seem this would be the most appropriate point for time to start. But even if I was to allow further time and consider the 120 days as starting from the date the service was cancelled, based on what I've set out above, this would still give Miss A just 120 days from the end of 2022. But using either date, at least 300 days had passed by the time Miss A raised the chargeback request in November 2023, well outside of the time limits for which any chargeback protection might apply.

With all of that in mind, regardless of whether Miss A may have been due to receive these monies back from the merchant or not (and I've not seen sufficient documentation to support such a claim), even if she were to have provided sufficient evidence, I think it wouldn't have been unreasonable for Revolut not to progress Miss A's claim. I say that because the period for which any chargeback protection may have applied had long expired at the point her claim was raised.

So, while disappointing, and I'm sorry Miss A's found herself in this position, for the reasons set out above, I don't intend to ask Revolut to do anything further in respect of her complaint.

I invited both parties to respond with any further evidence or arguments they wished for me to consider by 28 February 2025.

Neither party provided a response to my findings, so no new arguments or evidence were raised. So, I'm now in a position to issue my final 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.

Having looked at everything again, and given the lack of responses received from both parties, I've reached the same outcome as I did in my provisional decision and for the same reasons.

In summary, I don't think it was unreasonable for Revolut not to progress Miss A's chargeback claim, as I've not seen enough to show that she provided Revolut with sufficient evidence to support them in progressing her claim. And, even if she had, the period for which any chargeback protection may have applied had long expired at the point her claim was raised.

So, for these reasons, and those set out in my provisional decision, I won't be upholding Miss A's complaint.

My final decision

My final decision is that I do not uphold Miss A's complaint.

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

Brad McIlquham
Ombudsman