

## **The complaint**

Ms F complains that Monzo Bank Limited won't refund payments that have been made from her account which she says she didn't authorise.

## **What happened**

Ms F opened her account with Monzo on 5 May 2019. She had an account with an online casino and started making transactions from her Monzo account to the online casino on 11 May 2019. On 2 June 2019 she asked Monzo to block transactions to the online casino. On 18 June 2019 Ms F asked for the block to be removed.

The online casino took payments from Ms F's bank account between 18 June 2019 and 28 June 2019. Ms F says she didn't authorise some of the payments. She also says she did not make some other card payments and an ATM withdrawal in her local area. She asked for the block on gambling transactions to be put back on her account on 29 June 2019. She disputed some of these transactions with Monzo on 30 June 2019.

### *What Ms F told us*

Ms F says she can't remember the exact sequence of events, and she hasn't been clear on exactly which transactions she disputes, but she thinks she left her mobile phone and bank card at a relative's house on 18 June 2019. The mobile phone didn't have a locked screen and the apps for her Monzo account and online casino account did not require a password. She says she thinks she received her phone back on 27 June 2019.

She doesn't think her relative would have made the transactions, but thinks his friends might have been able to get access to the mobile phone.

She also says she didn't make four other transactions with her card between 25-28 June 2019.

### *Monzo's response*

Monzo had questions about how the transactions could have occurred without Ms F authorising them. It didn't think the pattern of transactions was consistent with fraud. It didn't agree to refund the transactions.

### *Investigator's view*

An investigator looked into his complaint and decided not to uphold it. He concluded that, it was more likely than not that Ms F authorised the payments. In brief, he thought the pattern of transactions wasn't consistent with someone else having made them.

### *Evidence I've seen*

- Monzo's investigation notes
- Bank statements
- Screenshots of the electronic audit trail for all transactions including those she disputes and those she doesn't dispute.

### **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've decided not to uphold the complaint, for broadly the same reasons as those given by the investigator.

Monzo is required to refund the amount of an unauthorised transaction. The relevant regulations are the Payment Services Regulations 2009 (the PSRs 2009).

Ms F says she didn't make the disputed payments; so I need to decide whether or not I think she authorised them.

The online casino says the transactions were made from Ms F's mobile phone and with her debit card details. Monzo's records indicate the transactions were authenticated using the card number, expiry date and CVV. This is consistent for the disputed transactions and the transactions which are not disputed. Based on this evidence, I'm satisfied that the disputed transactions were authenticated.

So now, I need to think about whether it's more likely than not that Ms F authorised the disputed transactions.

Ms F doesn't dispute she had an account with the online casino, and she made some transactions using her phone. She's said she thinks that 16 of the 23 online gambling transactions are genuine but disputes 7 of them. She's not entirely clear on which ones are disputed, but thinks some transactions might have been charged twice.

The audit trail shows her card details were used to make deposits into the account with the online casino from Ms F's bank account.

I understand from Ms F that her Monzo account was regularly credited with money from another of her accounts during the period of the disputed transactions. The pattern of transactions was that money would be transferred from her other account to her Monzo account, a transaction on her online casino account would then take place for the same amount. So, whoever made the gambling transactions has access to Ms F's phone, her bank card details for her Monzo account and her bank account with another bank.

In terms of the four disputed card payments, one was an ATM withdrawal where the card chip and PIN were used, according to the evidence. The others were contactless payments made in her local area at shops she appears to have regularly used, as I can see other transactions were made at those locations previously and have not been disputed. This does not fit the usual pattern of fraudulent transactions. It has also not been explained how a fraudster would have access to the card and PIN.

From what I've seen, I don't think it's unreasonable for Monzo to conclude that Ms F authorised the transactions. I have considered whether a third party made the disputed transactions but I don't think this is likely. A third party would've needed access to Ms F's mobile phone to make the bets. They would also have needed to know her Monzo bank card

details and her bank account details for her account with another bank. The use of the actual card in her hometown to make a chip and PIN transaction and contactless payments, which she disputes, during this period, also does not really fit with her account that she thinks she left the phone and card at a relative's house where others might have been able to access her details, bearing in mind her relative lived a considerable distance away.

It is also unclear how a third party would benefit from placing bets on Ms F's online casino account. If they had access to her Monzo bank card details and her other bank account, it seems unlikely they would have used these to make online gambling transactions from which they would not benefit.

For these reasons, I think it's unlikely that a third party made the disputed payments. And the evidence of the transfers from Ms F's savings account into her current account, for the exact amount that was to be gambled, it's more likely she authorised the payments.

Ms F has suggested that the online casino might have mistakenly taken some payments more than once. However, I can't see any evidence of error or fraud by the online casino.

On balance, and after considering everything, I find it more likely than not that Ms F authorised the disputed payments, so I won't be asking Monzo to refund her.

### **My final decision**

For the reasons given above, my final decision is that i do not uphold Ms F's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms F to accept or reject my decision before 28 July 2020.

Greg Barham  
**Ombudsman**