

## **The complaint**

Mr B complains that Monzo bank plc won't refund disputed transactions made on his account totalling £7,500.

## **What happened**

On the 6 January and 7 January 2020 disputed transactions totalling £7,500 were carried out using Mr B's Monzo debit card. In total there were seven payments made to a gambling website, I'll call V. Prior to the disputed transactions Mr B's account was funded with transfers from his account with a third party bank I'll call Bank L.

On the 10 January 2020 Mr B contacted Monzo and explained that his son had made the transactions without his permission. Monzo didn't refund Mr B's transactions. In summary they thought he most likely authorised them.

Mr B didn't accept Monzo's conclusions so brought his complaint to our service.

One of our investigator's looked into Mr B's complaint but didn't uphold it. They thought that the transactions were unauthorised but Mr B had failed with intent to protect his debit card. Therefore he wasn't eligible for a refund.

Mr B didn't agree. So it was referred to me for a decision.

On reviewing Mr B's case I came to a similar conclusion to our investigator but for slightly different reasons. I issued my Provisional Decision on the 2 March 2021 giving both Mr B and Monzo until the 16 March 2021 to accept or reject my decision and provide any further comments.

Both parties confirmed receiving my decision and neither had any further comments to add.

## **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 not minded to change the outcome I reached in my Provisional Decision. And I'll explain why below.

In my Provisional Decision I said:

*Generally, Monzo can hold Mr B liable for the disputed transactions if the evidence suggests that it's more likely than not that he made or authorised them himself.*

*I'm satisfied from the bank's technical evidence that Mr B's genuine card was used to make the disputed transactions. But the regulations relevant to this case say that is not, on its own, enough to enable Monzo to hold him liable. So I also need to think about whether the evidence suggests that it's more likely than not that Mr B consented to the transactions being made.*

*From what I've seen, I don't think it's unreasonable for Monzo to conclude that Mr B authorised the transactions. This is because:*

- Mr B's suggested that his son carried out the disputed transactions. The gambling account with V was funded using Mr B's debit card – including the long card number and CVV. To carry out the disputed transaction's Mr B's son needed access to this. He's explained that the debit card was kept in his phone case, which he gave to his son to use.*
- Monzo have evidenced that text messages and in app messages were sent to Mr B's phone after every disputed transaction. The disputed transactions occurred on the evening of the 6 January 2020 over a period of 5 hours and then at 10:49pm on the 7 January 2020. This means that Mr B's son would have needed access to Mr B's phone for a long period of time.*
- A fraudster also needed access to Mr B's online banking account with Bank L. Mr B's explained that his online banking details, along with passwords for all his other accounts including V, were saved on his phone. Even if I accept Mr B's explanation that his passwords were saved on his phone I need to consider how Mr B's son gained access to them. Mr B explains that his son added his fingerprint to his phone without Mr B's knowledge. I understand that to add another fingerprint on to a phone Mr B's son would need either Mr B's password or his fingerprint – therefore I'm unsure how this was possible without Mr B's knowledge.*
- Mr B didn't notify Monzo about the fraud until three days later on the 10 January 2020. I find it surprising he didn't notice sooner considering the funds were removed from both his account with Monzo and Bank L.*
- Just under an hour prior to the disputed transactions a payment was made to a lottery company for £100. Mr B doesn't dispute this payment. And then prior to the last disputed transaction Mr B's account was funded with a credit from the same lottery company. I find it unusual that the only transactions carried out during the time period of the disputed transactions were gambling transactions with another company. And without the credit coming into his account on the same day Mr B's account would have insufficient funds to carry out the last disputed transaction.*
- Mr B's explained that the account with V was registered in his name. And he's explained he's previously funded his V account from Bank L. I find it surprising that Mr B's son would choose to use an account that Mr B has previously gambled with and set up himself.*

*Taking everything into account, I think on balance Mr B authorised the disputed transactions.*

*And it therefore follows Monzo are entitled to hold him liable for them.*

Neither Mr B or Monzo had any further comments to add in response to my Provisional Decision. Therefore I see no reason to change the outcome I reached. And for the reasons I

explained above I think on balance Mr B authorised the disputed transactions, and I won't be asking Monzo to do anything further here.

### **My final decision**

My final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 19 April 2021.

Jeff Burch  
**Ombudsman**