

The complaint

Mr H complains about the service provided by Monzo Bank Ltd when he tried to reverse a payment.

What happened

In August 2021 Mr H contacted Monzo via its chat facility and asked it to reverse a payment of £235 he'd made to a business (A). Mr H told Monzo he was struggling financially and mentally. Mr H said he needed the funds back to pay for food and that he was trying to find somewhere to live.

Monzo said it could raise a dispute for Mr H but that he needed to complete a form to start the process. Mr H asked Monzo to proceed without completing the form and gave further details about his circumstances and financial difficulties. Monzo said the process was quick and didn't agree to reverse the payment without completing the form. At the end of the day, after Mr H had given particularly difficult information, Monzo's agent signed off by saying *have a great day* and using a smiley emoji. Mr H responded a minute later and asked to raise a complaint.

Monzo issued a final response but didn't uphold Mr H's complaint. Monzo said it had a standard process to follow and that it had reasonably asked Mr H to complete a dispute form. An investigator at this service looked into Mr H's complaint and upheld it in part. They thought Monzo's request for a dispute form to be completed was fair. But the investigator thought Monzo's agent had shown a lack of empathy and caused Mr H unnecessary distress and inconvenience due to the way he responded. The investigator asked Monzo to pay Mr H £100 but it didn't agree and asked to appeal. As a result, Mr H's case has been passed to me to make a 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.

I understand Mr H was going through a particularly difficult time when he asked Monzo to reverse the payment. And I can see how frustrating the issues raised have been for Mr H. But I have to be fair to both parties. And whilst I understand why Mr H wanted Monzo to reverse his payment, I haven't been persuaded it acted unfairly by asking him to fill out a dispute form. Both Monzo and the investigator have set out the specific reasons why Monzo can't just refund payments, so I won't repeat them I detail here. But, in brief, Monzo says it needs to ensure a payment that's been reversed won't later be claimed by the merchant.

I understand the situation was urgent for Mr H. But I think it was reasonable for Monzo to request a completed dispute form before it agreed to refund Mr H's payment. I haven't been persuaded that Monzo treated Mr H unfairly.

That being said, I can see the way Mr H's conversation with Monzo was handled did cause him unnecessary distress and inconvenience. Monzo's told us the use of emojis forms part

of its tone. But Mr H had just given Monzo's agent some very difficult information about his circumstances, living situation and financial difficulties. And the agent had refused to proceed in line with Mr H's request to reverse the payment. It's clear Mr H was upset. I can see Mr H was upset by the lack of empathy Monzo's agent showed. Being told to have a great day and sent an emoji isn't a positive or sympathetic tone in my view. And I'm satisfied that's caused Mr H avoidable distress and inconvenienced.

As a result of the distress and inconvenience caused to Mr H, I'm going to uphold his complaint and direct Monzo to pay him £100. In my view, £100 reflects the impact of the distress and inconvenience caused to Mr H and is a fair way to resolve his complaint.

My final decision

My decision is that I uphold Mr H's complaint and direct Monzo Bank Ltd to pay him £100 for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 25 July 2022.

Marco Manente
Ombudsman