DRN-3494977

The complaint

Mr W complains that Monzo Bank Ltd (Monzo) won't refund a disputed transaction that occurred from his bank account.

What happened

In May 2021, Mr W said he checked his bank account online and found that a transaction had been made for £512.93 to a third party. He said he hadn't made this transaction and that he didn't know the recipient of the transfer. He contacted Monzo and they looked into what had happened.

Monzo decided not to refund the transaction. It said there was no evidence of fraudulent activity. It thought Mr W must have made the transaction himself because:

- It could see the transaction was made using Mr W's trusted device.
- That same device had been used that day for other undisputed transactions.
- It couldn't see how someone other than Mr W would have known his PIN number and bank login details to make the transaction.

As Mr W didn't agree with Monzo's decision, he asked us to investigate.

An investigator here reviewed the complaint but, in summary, she felt unable to conclude that the transactions had been made fraudulently and was persuaded it was most likely made by Mr W.

Mr W didn't agree and asked for the complaint to be reviewed by an ombudsman, so the complaint has been passed to me.

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.

The investigator has given a detailed outline of the relevant considerations, so I won't repeat them in full here. The key consideration for me is whether I think it's likely Mr W made the transaction himself or whether it was likely done by someone else without his knowledge – and by extension, whether it's fair for Monzo to hold him liable for the payments.

I understand how strongly Mr W feels about this complaint. He has raised a number of points and although I may not mention every point raised, I've considered everything he has said but limited my findings to the areas which impact on the outcome of the case. No discourtesy is intended by this. It just reflects the informal nature of our service.

Having looked at the complaint fully, my review of the evidence has led me to the same overall conclusions as the investigator previously set out and for much the same reasons.

I’ve seen the electronic records which showed that Mr W’s trusted device was used for the disputed transaction. Mr W has also agreed that other transactions from the same device that day are genuine. Whoever made the payment would have had to have been able to obtain the device, know Mr W’s PIN to access the phone and have his banking login details. I don’t think it’s likely a third party would have been able to remove his phone, make the transaction and return the phone without Mr W being aware of it. As Mr W has informed us this device had been on him personally at the time of the disputed transaction and that no-one else had access to it, knew the PIN or login details for the bank account, I don’t see how the transaction could have been made by someone else.

I understand Mr W will be disappointed but I think, on balance, Mr W carried out or consented to the disputed transaction and therefore Monzo can hold him liable.

My final decision

I do not uphold this complaint

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr W to accept or reject my decision before 21 June 2022.

Sarah Green
Ombudsman