

The complaint

Mr A complains that Monzo Bank Ltd has declined his request for a refund of payments he says he didn't make.

What happened

Mr A contacted Monzo in September 2021 saying he'd identified some transactions that he didn't recognise when he was going through his statements for tax purposes. Mr A reported multiple transactions to the same retailer over the months May to July 2020. He says he's never bought anything from this retailer, and he didn't notice the payments at the time. Mr A says the payments add up to around £1,500 which he can't afford to lose.

Monzo said that it wouldn't provide a refund for these payments because Mr A had raised his claim too late. It said it had been over 13 months between each payment debit date and the date Mr A disputed them with Monzo and so he wasn't entitled to a refund. It also noted that Mr A had raised an issue with Monzo in May 2021 but hadn't mentioned any of the payments to this retailer that had already taken place at the time, and that he'd regularly used his banking app over the time period when the transactions occurred.

When Mr A complained to our service the investigator didn't uphold the complaint. They thought Monzo had acted fairly in declining Mr A's request for a refund in the circumstances.

Mr A didn't agree, so the matter has been passed to me to decide.

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 upholding this complaint. I'll explain why.

The relevant law here is the Payment Services Regulations 2017 – this sets out when a customer is entitled to redress for unauthorised transactions. It says that the payment service user (here Mr A) is only entitled to redress if he notifies the payment service provider (here Monzo) without undue delay, and in any event no later than 13 months after the debit date.

The terms and conditions of Mr A's account also says in relation to disputed payments:

"If you don't let us know within 13 months from the date the money leaves your account you might not be able to get the money back."

This means that Monzo are able to decline to refund disputed transactions which are raised more than 13 months after the debit date of those payments on this basis.

I've thought about whether Monzo has applied this fairly to Mr A's circumstances and I think it has. This is because:

- It was over 13 months between the latest disputed payment and when Mr A first raised the dispute.
- Mr A does have a responsibility to monitor his own account activity and raise and concerns without undue delay.
- Mr A was actively using this account and using his app throughout May-July 2021, which would have shown his account activity.
- Whilst Mr A says he didn't notice the activity, this isn't sufficient to say Monzo hasn't acted fairly in the circumstances. Mr A hasn't made us aware of any extenuating circumstances that would mean it would be unreasonable to expect him to have been able to report the disputed transactions sooner, and within 13 months of the payments.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 2 November 2022.

Stephanie Mitchell
Ombudsman