

The complaint

Mr M has complained Monzo Bank Ltd won't refund him for an online card transaction he didn't make.

What happened

Mr M got a call from one of his credit card companies warning him of potential fraud. He took steps to transfer money into his Monzo bank account. He then noticed a card transaction for £999 he'd not authorised and complained to Monzo.

Monzo confirmed Mr M had authorised the card transaction on his Monzo bank app and didn't intend to refund him. Mr M was upset as both of his credit card companies had refunded him for disputed transactions. He brought his complaint to the ombudsman service.

Our investigator felt the evidence showed it was most likely Mr M had authorised the card transaction on his app.

Still unhappy, Mr M has asked an ombudsman to make a decision on his complaint.

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 reached the same outcome as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

The regulations which are relevant to Mr M's complaint are the Payment Services Regulations 2017 (PSRs). These primarily require banks and financial institutions to refund customers if they didn't make or authorise payments themselves. Other factors do apply but nothing else specific in Mr M's case.

So to help me decide what happened, I've looked at the evidence of the transactions, as well as what Monzo Bank and Mr M have told us.

We have a timeline of events which show the logons to Mr M's Monzo Bank app, the disputed transaction for £999 as well as the transfers Mr M doesn't dispute he made before and after the fraudulent one.

I've reached out to one of the banks that Mr M has told us called him earlier that day to forewarn him about being a victim of fraud. There's no information available to confirm

exactly what happened. Mr M doesn't believe he'd been a victim of any scam as at no stage was he asked to make payments or transfers to keep his money safe (or otherwise). But overall I see no reason why Mr M wouldn't be telling the truth about being contacted.

However taking that into account, I can see Mr M was regularly checking his Monzo account that day and evening. He transferred money in. He's told us this was to keep his money safe and in one place.

Monzo has confirmed the card transaction that Mr M has subsequently disputed required an additional form of authentication. This was done on Mr M's Monzo banking app. Mr M can't say for sure that he didn't do this and has explained to us that he was extremely worried about what was happening to his finances. He doesn't think he authorised this transaction on his app but can't be categorical that he didn't.

I think it's most likely he did authorise this transaction – whether he meant to or not. This is backed up by the records Monzo shared with us. Immediately after authorising this transaction, Mr M transferred the remaining funds in his account to a friend. The following day the friend transferred this money back. These facts do back up Mr M's story that he was keeping his money safe but I should stress this all happened after Mr M would have seen the £999 transaction on his account. He didn't raise this dispute with Monzo straightaway.

I'm sure Mr M feels very aggrieved but overall I'm satisfied he authorised the transaction.

My final decision

For the reasons I've given, my final decision is not to uphold Mr M's complaint against Monzo Bank Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 7 November 2022.

Sandra Quinn
Ombudsman