

## **The complaint**

Miss X complains that Monzo Bank Ltd (“Monzo”) failed to action a chargeback in time.

## **What happened**

The details of this complaint are well known to both parties, so I won’t repeat them again here. Instead I’ll focus on giving my reasons for my 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 know it will disappoint Miss X, but I agree with the investigator’s opinion.

Where the information I’ve got is incomplete, unclear, or contradictory, as some of it is here I have to base my decision on the balance of probabilities.

Miss X wanted Monzo to refund two transactions she completed but subsequently wished to dispute. One was paid on 30 April 2021 and the other on 2 May 2021.

When something goes wrong and the payment was made with a debit card, as is the case here, it might be possible for the business to raise a chargeback claim.

The chargeback scheme isn’t administered by Monzo, it’s administered by Mastercard and they set the rules. Monzo didn’t have to submit a chargeback claim but I’d expect them to do so when there was evidence a payment should have been refunded by a merchant.

The rules set by Mastercard say that a claim must be submitted within 120 days of the transaction date and that meant Monzo needed to submit chargebacks before 28 and 30 August 2021 respectively.

But in order for them to submit chargebacks I think it was fair for them to ask for information from Miss X to demonstrate she had already raised the issue with the merchant. I can see they asked for that information on several occasions, but I can’t see it was supplied by Miss X until 20 August 2021. At that point there was very little time left for Monzo to submit the chargeback and I don’t think it would therefore be fair to suggest they were at fault for the claim not being submitted on time.

Monzo have offered Miss X £50 to compensate her for the delay in responding to her after she submitted evidence she had complained to the merchant and also because they didn’t refer to that delay in their final response to Miss X. I think, in the circumstances, that’s fair and I’m not asking them to take any further action.

## **Putting things right**

Monzo will need to pay Miss X £50 to compensate her for the distress and inconvenience

caused.

### **My final decision**

For the reasons I've given above I uphold this complaint in part and tell Monzo Bank Ltd to pay Miss X £50 to compensate her for the distress and inconvenience caused.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss X to accept or reject my decision before 26 December 2022.

Phillip McMahon  
**Ombudsman**