

The complaint

Mr S complains that Monzo Bank Ltd won't refund a disputed transaction made from his account. He'd like a refund and compensation for the inconvenience caused to him.

What happened

Mr S has an account with Monzo.

On 21 March 2022 a payment of £2,705 was made from Mr S's account to an electronics store in London. This payment was made via a digital payment method I'll call A, and required biometric fingerprint or face identification approval.

Soon after the payment was made Mr S received a notification from Monzo to advise the payment had been processed. Mr S logged on to his Monzo app to freeze his card and contact them to raise a dispute.

Mr S explained he received a text message on 19 March 2022 to advise that his card had been successfully set up on A. But at the time he hadn't realised it was a problem. So didn't contact Monzo to query it.

Mr S also advised Monzo he hadn't received any suspicious calls or text messages and hadn't disclosed his card details or PIN to anyone.

Monzo reviewed Mr S's claim but concluded that he'd authorised the payment. Mr S complained but following a review Monzo thought they'd acted fairly in declining his claim. In summary they couldn't find a compromise for Mr S's card details and concluded he'd most likely authorised the transaction

One of our investigators looked into Mr S's complaint, but they didn't uphold it. Having looked at the evidence they explained it showed to add a card to a new device biometric authorisation was required in the Monzo app. For this reason they thought Mr S most likely authorised the payment.

Mr S didn't agree, in response he said:

- How could he have carried out the payment when he wasn't anywhere near the location?
- He's disappointed that a full police investigation hasn't been carried out, and CCTV hasn't been obtained from the store.

As Mr S didn't agree it's been passed to me for 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'm satisfied from the bank's technical evidence that Mr S's genuine card details and biometric authorisation were used to make the disputed transaction. But the regulations relevant to this case say that is not, on its own, enough to enable Monzo to hold him liable. So, I also need to think about whether the evidence suggests that it's more likely than not that Mr S consented to the transaction being made.

From what I've seen, I don't think it's unreasonable for Monzo to conclude that Mr S authorised the transaction. I say this because:

- To carry out the fraudulent transaction a fraudster would have needed to add Mr S's digital card to their device. To do this the fraudster would firstly need Mr S's long card details. But, Mr S has explained he hasn't shared these details with anyone – or received any suspicious calls or text messages attempting to gather these details.
- To add new card details to A, Monzo require approval in the app. I've looked at the online audit trail provided by Monzo, and I can see that this was accessed at 7:02 pm on 19 March 2022 where the addition of the card to A was approved. Mr S has explained that he didn't approve this. However, I'm satisfied the approval was made using Mr S's device and via biometrics.
- The payment made was authenticated using biometrics – I've not seen a plausible explanation for how this could have occurred without Mr S's knowledge.
- Two days prior to the disputed transaction Mr S received a text message advising him that A had been successfully set up. Mr S has explained that at the time he wasn't concerned by the message – and therefore didn't contact Monzo. However I'd have expected Mr S to contact Monzo to explain he *hadn't* set up his card on A if this was the case.

Mr S raised a number of points in response to our investigator's view. These include that he wasn't near the location of the payment at the time – and CCTV hasn't been obtained. I understand Mr S's arguments here, but he *didn't* need to carry out the payment himself for Monzo to hold him liable. If a third party carried it out with his consent then Mr S has authorised the payment according to the relevant regulations.

For the reasons I've outlined above I think on balance Mr S authorised the payment and I won't be asking Monzo to do anything further.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 22 December 2022.

Jeff Burch
Ombudsman