

The complaint

Mr F complains that Monzo Bank Ltd ('Monzo') won't refund card payments he says he didn't make or authorise and with its decision to close his account.

What happened

In April 2022 Mr F called Monzo in respect of three disputed transactions. He was directed to Monzo's chat where he reported the following transactions:

Date	Merchant	Amount
01/04/22	G	£91.55
02/04/22	W	£12.66
07/04/22	W	£243.60

In response to questions raised by Monzo Mr F said that his card hadn't been out of his possession, his mobile phone was password or biometric protected and nobody else had access to it, and that he didn't keep his PIN anywhere.

Metro investigated Mr F's claim and said that as the payments were authorised using 3D Secure which requires access to the Monzo app on Mr F's device, which was in his possession, it felt Mr F made or authorised the transactions. Mr F disagreed and said his mobile device hadn't been in his possession. He also raised further disputed transactions which pre-dated those in the table above and involved another merchant, S. Mr F explained that his mobile had been out of his possession when he lost it in a club on 28 December 2021 and that he had located it in a park on 8 January 2022.

Metro also didn't agree to refund the transactions to S as it said it had evidence that the transactions were made with 3D Secure from Mr F's registered mobile device. This means that the payments were approved in the Monzo app and a PIN was entered. The payments to S were also made a period of time apart and only one of them was when Mr F says he didn't have his mobile phone. Metro gave Mr F 60 days' notice of the closure of his account.

Mr F raised further disputes with Monzo including three payments to T on 28 April 2022. Monzo didn't refund these transactions but did provide credits in respect of other disputed transactions.

Our investigation so far

Mr F brought a complaint to this service. In his first call with the investigator who considered his concerns Mr F referred to the two payments to W (in the table above) and three disputed transactions to T on 28 April 2022, as well as the closure of his account. He explained that he went to Paris on 26 March and returned on 30 March 2022. While he was in Paris he was mugged, his card was stolen, and he was forced to divulge his PIN.

In a later call with the investigator Mr F explained that he was mugged in Paris on 1 April 2022 and his mobile phone and card were taken. Mr F was also forced to provide a passcode to give access to his mobile and to divulge his PIN. He said he reported the incident to police the following day and also claimed through his travel insurance policy as

cash was also stolen. The investigator asked Mr F to provide evidence that he travelled to Paris, for the police report and documentation in respect of his insurance claim but none have been provided. The investigator also discussed the fact that around the time of the disputed transactions there were other transactions in Iceland that hadn't been disputed. Mr F explained that he hadn't been to Iceland. Mr F suggested that a representative helped him when he initially disputed the payments with Monzo and had got things wrong.

After carefully considering the evidence, the investigator didn't recommend that it be upheld. She was satisfied Mr F authorised the payments and noted that he had provided inconsistent versions of events to Monzo and this service. The investigator also said that Monzo acted reasonably and in accordance with the terms and conditions of the account in giving notice to close it.

Mr F didn't agree with the investigator's findings and asked for a final decision, so his case has been passed to me to consider.

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 have set out above a fairly detailed chronology as Mr F's version of events hasn't been consistent.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take in account relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time.

Where there is a dispute about what happened, and the evidence is incomplete or contradictory, I've reached my decision on the balance of probabilities – in other words, on what I consider is most likely to have happened in light of the available evidence.

The relevant law here is the Payment Services Regulations 2017. Broadly speaking Mr F is responsible for any payments that he has authorised (either by making them himself or allowing someone else to) and he isn't responsible for unauthorised payments except in more limited circumstances.

First of all, I need to clarify which disputed transactions this final decision covers. I can only consider the five transactions to G, W and S. This is because Mr F hadn't raised a complaint with Monzo about the other transactions when he brought his complaint to this service and Monzo hasn't issued a final response in relation to them. So if Mr F wishes this service to consider any other disputed transactions, including those to T, he needs to follow Monzo's complaint process first. I have referred to these other transactions in my '*What happened*' section simply to make matters clearer.

Since Mr F raised his complaint, he has told the investigator that he no longer disputes the payments to S, so I won't discuss these any further. This means I am only considering the transactions to G and to W.

Whilst I'm sorry to disappoint Mr F, I agree with the investigator's findings and so am not asking Monzo to do anything more. In reaching this conclusion I've taken into account the following:

- I've seen technical evidence which shows that each of the three transactions I'm considering were verified using 3D Secure. This means that whoever made the transactions had access to Mr F's Monzo account on his registered mobile and knew his PIN.
- When the disputed transactions were first reported to Monzo, Mr F said that his mobile phone had remained in his possession and was password or biometric

protected and nobody had access to his PIN. He made no mention of being mugged. I appreciate that Mr F says a representative provided incorrect information when the disputed transaction was raised but I'm not persuaded she had access to Mr F's mobile app in the way Mr F suggested to the investigator.

- Mr F later explained that he was mugged in Paris in the early hours of 1 April 2022 and so didn't have his registered mobile device in his possession when the disputed transactions were made. He also says he was forced to provide security information that allowed the criminals who mugged him access to his mobile banking app and his PIN. Although Mr F has been asked for evidence of this in terms of travel documents, a police report and evidence of the travel insurance claim he made as a result, he hasn't provided anything.
- Having reviewed the other available evidence, I've been unable to identify any evidence of undisputed transactions on Mr F's statements when he told us he was in France. Instead, his statements show numerous payments made using Chip and PIN, contactless and 3D Secure in Iceland between 3 and 9 April 2022. Mr F says he did attempt to raise those payments with Monzo but was unable to, but I haven't seen any evidence in Monzo's records that he did. If Mr F did report them, as he says, I find it surprising that Mr F did not pursue his claim further with Monzo given the cumulative value of them.

Overall, I'm not persuaded that Mr F didn't make or authorise the transactions he has disputed so I can't reasonably ask Monzo to refund them.

Closure of Mr F's account

Mr F is unhappy with Monzo's decision to close his account after giving him 60 days' notice of its intention to do so. He believes that Monzo has discriminated against him because of a vulnerability he disclosed to it.

Monzo's terms and conditions say,

"We can close your account by giving you at least two months' notice".

I'm satisfied Monzo acted reasonably and in accordance with these terms in providing notice of the closure of Mr F's account. I haven't seen any evidence of discrimination or of unfairly applying the terms.

My final decision

For the reasons given, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 27 February 2023.

Jay Hadfield
Ombudsman