

## **The complaint**

Mr R complains that Monzo Bank Ltd hasn't refunded disputed transactions on his account.

## **What happened**

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

In August 2021 around £10,500 of payments were made across six transactions from Mr R's account. In February 2022, Mr R noticed the payments and made a claim to Monzo saying that he didn't recognise them. Monzo considered the claim but decided not to refund these to Mr R. It also decided to close his account. And it paid him £115 for the way it handled the matter. Mr R remained unhappy, so he brought his complaint to this service. He said he wanted the money he had lost to be refunded and that Monzo had sent a debit card to an old address of his.

Our investigator didn't think the complaint should be upheld. He said the disputed transactions had been authorised using Chip & PIN and via Mr R's mobile banking. And that Mr R still had his debit card and mobile phone after the event, hadn't written his PIN or passwords down and they weren't easy to guess. The investigator added that Mr R had confirmed he made a total of £11,000 in payments to his Monzo account before the disputed payments. So, he was satisfied it was more likely than not Mr R authorised and consented to the payments.

The investigator said that Monzo had fairly explained that a card that was sent to an old address of Mr R's wasn't related to his account and that it had fairly given him two months' notice of its decision to close his account with them. He added that the £115 compensation for its handling of this issue was fair.

Mr R disagreed and asked for an Ombudsman's review. He said that the Monzo mobile banking app wasn't as secure as it should be and although he did make the payments to his Monzo account before the disputed transactions were made, that doesn't mean he authorised them. He added that he doesn't recognise the merchants the payments were made to.

## **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.

Where the evidence is incomplete, inconclusive, or contradictory (as it is here), I have to make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

I've read and considered the whole file. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I've failed to take it on board

and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome.

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

Broadly speaking, Mr R is responsible for any payments that he authorised (either by making them himself or allowing someone else to) and he isn't responsible for unauthorised payments. The relevant regulations to this effect are the Payment Services Regulations ('PSRs'), and I've considered these alongside the terms and conditions of Mr R's account.

The key questions for me to decide are:

1. were the payments authorised by Mr R; and
2. if they weren't, did Mr R fail with intent or gross negligence to comply with his obligations under the PSRs and/or the terms and conditions of his account?

Mr R has said that he transferred funds into his Monzo account from another account in his name before the disputed transactions. I'm also satisfied that five of the six disputed transactions were authorised using Chip & PIN. The remaining payment was completed using Mr R's online mobile banking.

I've considered Mr R's testimony of what happened that day and the evidence provided by Monzo which confirms how the payments were made. Having done so, I'm not persuaded that Mr R didn't authorise or consent to the payments. The investigator has correctly pointed out that Mr R didn't share his PIN with a third party, and it wasn't written down. Mr R has said that his mobile banking passwords and PIN were also not easy to guess. Mr R also had his card and phone before and after the disputed payments and made a payment from his Monzo account to his other account after the disputed payments were made. So - on balance – I'm satisfied he either authorised or consented to all the disputed payments here.

Mr R is unhappy a card was sent to an old address and that his bank account has been closed. I've seen that Monzo said the card wasn't requested from the account Mr R is complaining about here and that it hadn't made any errors by sending the card. As a result, I think it's fairly referred Mr R to the credit reference agencies to see if any new accounts have been set up against his credit file that he might not recognise.

Monzo can decide to close an account if it wishes as long as it gives fair notice in line with its terms and conditions – which I'm satisfied it did here.

Monzo also paid £115 in compensation for the way it handled this complaint. I think that's a fair offer in all the circumstances.

As a result, I'm not going to ask Monzo to do anything more.

### **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 R to accept or reject my decision before 14 March 2023.

Mark Dobson  
**Ombudsman**