

The complaint

Mr C has complained about Monzo Bank Ltd's actions regarding a chargeback for three payments to a car rental company.

What happened

Mr C discovered payments to a car rental company, which he didn't recognise. Accordingly, he contacted Monzo to raise a chargeback. He provided evidence, but Monzo said he also needed to submit a 'selfie' to prove it was him, and further evidence. Ultimately, Monzo was out of time to process the chargeback, so Mr C complained to our service.

One of our investigators looked at what had happened, and recommended that the complaint should be upheld. He thought Monzo should refund the three transactions, adding 8% simple interest a year, from the date the chargeback request was declined. This was because he was satisfied that Mr C had provided enough information for Monzo to have raised a chargeback within time.

Monzo disagreed. In summary, it said that it was trying to get as much evidence as it could, to show why the payments should be disputed. This would provide the best chance of a chargeback being successful. Specifically, Monzo said it didn't have evidence of Mr C having contacted the car rental company using a new email address he was given, after he contacted it at its main headquarters.

The complaint's now been passed to me.

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 I haven't commented on any particular point, it's not because I haven't considered it. Rather, it's because I don't think I need to comment on it, in order to reach a fair outcome. This isn't intended as a discourtesy to either party, but reflects the informal nature of our service.

Having looked at what's happened, I agree that Monzo didn't do as much as it should have. I can see that Mr C did provide a selfie. He also provided a screenshot of attempted contact, but Monzo wouldn't accept it. I feel that it would have been reasonable to use this information, and process a chargeback. I appreciate it may not have been *exactly* what Monzo wanted, but there's nothing to persuade me it wouldn't have been sufficient. And certainly, it would have been better than not attempting the chargeback at all.

On this basis, I feel that Monzo could have processed a chargeback. Although it isn't a consumer right, we'd expect it to happen if there were a reasonable chance of success. Here, there's nothing to persuade me, on balance, that it wouldn't have succeeded. Accordingly, Monzo should put Mr C in the position he'd have been in, had the chargeback been successful.

Putting things right

To put things right, Monzo should refund the three transactions, adding 8% simple interest a year, from the date Monzo told Mr C his chargeback could not/would not be pursued.

My final decision

It's my final decision to uphold this complaint. I require Monzo Bank Ltd to pay Mr C the amount set out above, in the section 'Putting things right'.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 30 August 2023.

Elspeth Wood
Ombudsman