

## **The complaint**

Mr H complains Monzo Bank Ltd hasn't refunded transactions he's disputed. He's also unhappy about its poor customer service.

## **What happened**

Mr H had an account with Monzo Bank. Monzo Bank took the decision to close his account after the transactions Mr H has disputed that I'm considering took place. Mr H reported other disputed transactions around the same time – ones that took place at an ATM. I'm not considering those transactions in this decision – but that dispute has provided some additional background.

On 22 January 2023 Mr H contacted Monzo Bank through its chat service to dispute a number of transactions that had occurred on his account. Mr H said that payments had been made to three different beneficiaries. He said he believed his ex-partner had something to do with the payments as he believed one of the beneficiaries was known to her.

Monzo Bank looked into the transactions Mr H had disputed and said that the evidence showed they weren't fraudulent, so he was liable for them. Mr H complained about Monzo Bank's response, and although Monzo Bank accepted that it had let him down from a customer service point of view – for which it agreed to pay £100 in compensation – it said its decision was the right one. Mr H remained unhappy and complained to us.

One of our investigators looked into Mr H's complaint and said that the evidence Monzo Bank had provided showed that Mr H had his phone at the time of the disputed transactions and that they were made from his phone. Our investigator didn't, therefore, think that Monzo Bank had acted unfairly saying that it was holding Mr H liable for the transactions. They also thought that the £100 compensation it had paid was fair. So, they didn't uphold Mr H's complaint. Mr H wasn't happy with what our investigator had said and asked for his complaint to be referred to an ombudsman. So, his complaint was 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.

Mr H says he was at a party when he lost his phone. He says that someone accessed his online banking and transferred money from his account to third parties whilst he didn't have access to his phone. Mr H says he recovered his phone a few days later and contacted Monzo Bank to explain what had happened. He told Monzo Bank that he didn't recognise any of the names of the third parties to whom money was transferred.

Both parties accept that Monzo Bank's customer service wasn't as good as it should have been when Mr H reported these disputed transactions – he was told to fill in the wrong form several times, for example, and even though most responses to his messages on Monzo Bank's chat service were quick there were a couple of occasions when responses took too long. I agree with our investigator, however, that the £100 Monzo Bank has paid Mr H in

compensation – having acknowledged its customer service wasn't always as good as it should have been – fairly compensates for this. In the circumstances, the only issue I have to decide is whether or not Monzo Bank acted fairly when it said it was holding Mr H liable for the transactions he'd disputed.

Monzo Bank has been able to provide evidence that shows that Mr H was in possession of his phone at the same time as the disputed transactions took place – the disputed transactions took place between 16 and 21 January 2023. Monzo Bank has also been able to show that whoever authorised the transactions would have had to use Mr H's PIN and that the transactions were authorised using his phone. That means the person who authorised them would have had to know the passcode to Mr H's phone too. I agree with our investigator that it wasn't unfair of Monzo Bank to hold Mr H liable in the circumstances.

### **My final decision**

My final decision is that I'm not upholding this complaint.

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

Nicolas Atkinson  
**Ombudsman**