

The complaint

Mr M complains about the way that Monzo Bank Ltd dealt with his requests for chargebacks.

What happened

In late March 2022, Mr M requested that Monzo apply for chargebacks in respect of two transactions (which I'll refer to as "B" and "7"). He did this via his banking app. In respect of B, Mr M's initial application was rejected by Monzo as the 14 day time limit for the merchant to reply hadn't expired. However, Mr M resubmitted the application and Monzo says it should have raised a dispute with the card provider at that stage. In respect of 7, Monzo initially rejected this because it said it had insufficient evidence. However it did then say it *had* received sufficient evidence from Mr M and should have raised a dispute at that stage.

In respect of both matters, Monzo did then, within seven days, raise disputes and was successful in recovering the money that Mr M had paid out. It had already reccredited his account before this. It apologised for the inconvenience and frustration caused by the delay in it raising the disputes. In respect of Mr M's issues regarding customer service and the way it had dealt with his complaint, it didn't think it had done anything wrong. It paid him compensation of £50.

Mr M said that, although his complaints had been resolved, he didn't think that the compensation paid was sufficient.

On referral to the Financial Ombudsman Service our Investigator said that Monzo had dealt with Mr M's complaints appropriately and had paid reasonable compensation.

Mr M didn't agree, and the matter has been passed to me for further consideration.

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.

In this decision I shall be dealing with Mr M's complaints as dealt with in Monzo's final response letter of 12 April 2023. If he has any further complaints about issues that arose after that date, he will need to put them to Monzo.

experienced inconsistent and unclear responses

Having reviewed Monzo's complaint notes, in particular the online chat details, I don't find that the interactions were inconsistent or unclear. Mr M hasn't been able to elaborate on this.

transaction with K

This was another chargeback issue. Monzo did mention it briefly in its final response letter, when it notes Mr M had to ask more than once to collect the refund. It apologised for this. Our Investigator asked for further information, but Mr M was unable to supply any. In any event, as I shall set out below, it was fair to combine this with the other two matters when

dealing with Mr M's complaints.

requesting additional evidence

In respect of both disputes Monzo asked for additional evidence, which Mr M says caused him frustration and concern that his complaints weren't taken seriously. In respect of the "7" matter Monzo has agreed it did have sufficient evidence and shouldn't have requested more. But it did need further evidence for the "B" matter. And as the chargeback process is run by the card provider, the bank has to follow the provider's rules when raising a dispute, and as Monzo explained, it needed to produce all the evidence at the time of raising the dispute.

I think Monzo acted appropriately here, and apologised and paid reasonable compensation for any delay in asking for evidence it already had.

fail to act in a timely manner

Monzo agrees that it should have raised disputes for both matters earlier than it did. But it did raise both disputes within seven days of Mr M raising complaints about them. So although I can understand his frustration at both matters being initially rejected, I think Monzo acted in a timely manner to resolve both matters.

initial rejection of both matters

I have already dealt with these issues here. Monzo agreed that it should have raised both disputes earlier and not rejected them when it had received the appropriate evidence from Mr M. As I've said, it then acted in a timely manner to resolve them and was successful in obtaining refunds in both cases.

combining a number of complaints

Mr M complains that Monzo combined several of his complaints into one issue.

It's a matter for Monzo how it handled Mr M's complaints. As they concerned chargeback requests which occurred around the same time, and concerned the customer service for the requests which was also raised at the same time during the online chats, I don't see that Monzo did anything wrong in combining them.

compensation

Mr M believes this wasn't sufficient. Monzo paid him £50. The disputes in question were raised fairly quickly after Mr M complained about them in late March 2023. And, as they were resolved by the time Monzo sent its final response letter of 12 April 2023, I think the compensation paid was fair and reasonable and in line with awards we have made in similar cases.

My final decision

I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 21 September 2023.

Ray Lawley
Ombudsman