

## **The complaint**

Ms U complains about the way that Monzo Bank Ltd handled her transaction disputes.

## **What happened**

Ms U disputed four transactions concerning purchases she had made with a food delivery service, online auction site and travel business.

Ms U was unhappy with the delays and incorrect information which Monzo gave. She wants Monzo to refund the disputed payments and pay compensation for the inconvenience caused. Ms U also wants Monzo to improve its dispute resolution process. She says Monzo keeps closing her dispute claims. Ms U was also unhappy with the call waiting times when trying to speak with Monzo and its complaint handling process.

Monzo rejected one of the food related chargebacks because it did not have enough evidence to show that Ms U did not receive what she had ordered. Monzo said that it had raised the other food delivery purchase as a dispute.

Monzo said that it would have needed to see a copy of the travel company's sickness policy but that it was now too late to raise the chargeback on Ms U's behalf.

Monzo said that the dispute concerning an item received from the online auction site did not meet Mastercard's rules as Ms U received the item, although it was damaged in use.

Monzo did not uphold Ms U's complaint but paid her £25 to apologise for the delays she experienced.

When our investigator first considered Ms U's complaint, Monzo had not supplied its business file. Without any evidence to contradict Ms U's recollections of what happened, our investigator recommended that her complaint be upheld. He asked Monzo to refund the disputed transactions and pay £50 compensation.

Monzo then supplied its business file and after reading it, our investigator revised his view and said he did not think Monzo had treated Ms U unfairly.

Ms U is unhappy with the investigation outcome so her complaint has come to me to decide. She has supplied video recordings of her completing Monzo's dispute forms online.

## **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 appreciate that I have summarised this complaint in less detail than the parties and that I have done so using my own words. The rules that govern the Financial Ombudsman allow me to take this approach. But it does not mean I have not considered everything the parties have given to us.

Although Monzo is not obliged to submit a chargeback claim, we consider it good practice to do so where the scheme requirements are met and there is a reasonable prospect of the claim being successful.

When Monzo responded to Ms U's complaint, it referred to four disputes. Although Ms U is unhappy about some other disputes that she has raised, my decision deals solely with the disputes that Monzo referred to in its final response. Taking each of the disputes in turn:

#### Travel claim

Monzo rejected this dispute as it needed further evidence from Ms U, including cancellation policy terms and details of her attempts to resolve her dispute with the merchant. I don't think Monzo was acting unreasonably when it asked for this information.

After Ms U submitted the dispute again a few months later, Monzo rejected it because Ms U had not contacted the insurance provider that she had bought her refund insurance through. Again, I don't think Monzo was unreasonable to do this as it would usually expect a customer to try and resolve the issue with the merchant first before raising a dispute.

As Ms U eventually received a refund from the merchant, I don't think I need to say more about this dispute.

#### Fast food disputes

Ms U raised two separate disputes against the same fast food delivery service. One for around £15 was rejected due to lack of evidence. The other, for nearer £35 was subsequently raised as a dispute.

Monzo has supplied evidence that it asked Ms U for an invoice for the £15 transaction so that it could check what she ordered against what was supplied. Although Ms U supplied some photographs of the food she received, together with emails about the order, Monzo did not receive the invoice for the fast food purchase. So, I don't consider it was unreasonable for Monzo not to raise a chargeback claim on Ms U's behalf.

#### Auction website dispute

Monzo declined to raise a chargeback for the purchase Ms U made from the auction website as it said it didn't fall within the Mastercard chargeback rules.

Monzo can raise a chargeback if goods don't arrive or if they arrive broken. In Ms U's case, she received the goods so there would be no grounds to raise a chargeback on the basis of non-delivery. Although Ms U says the goods broke when first trying to wear them, I don't have enough evidence to conclude that they were broken when they arrived. In the circumstances, I don't think it was unreasonable for Monzo not to raise a chargeback claim on Ms U's behalf.

I appreciate Ms U is unhappy about Monzo's dispute process, saying that it fails to include fundamental questions about the dispute being made and that it didn't give her the opportunity to include invoices. I have reviewed the videos Ms U provided of her using Monzo's online dispute process. Although the videos seem to relate to other disputes raised rather than the ones that I have considered as part of this complaint, I can see Monzo asks for proof of purchase or order and gives the option to add multiple images or documents. So, I can't reasonably find that Monzo didn't give Ms U the chance to upload evidence as part of the dispute process. And the evidence Monzo supplied to us shows that Ms U was able to supply information including copy emails and photographs. So, it seems possible that Ms U

could have also supplied the further evidence Monzo requested.

To summarise, I don't think Monzo acted unreasonably when handling the disputes that Ms U raised. Monzo accepts that it didn't always respond as quickly as it might have and for this failing has offered £25. I think this is a reasonable way to resolve this complaint.

### **My final decision**

Monzo has already made an offer which I think is fair. So, my final decision is that if it hasn't already done so, Monzo Bank Ltd should pay Ms U £25.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms U to accept or reject my decision before 15 April 2024.

Gemma Bowen  
**Ombudsman**