

## The complaint

Mr T complains that Monzo Bank Ltd (“Monzo”) is holding him responsible for an ATM withdrawal which he says he didn’t authorise, and that it’s unfairly closed his account.

## What happened

The background to this complaint is well known to both parties, so I won’t repeat everything here. In brief summary, Mr T has explained that in July 2023, a transaction for £60.60 was debited from his account which he didn’t authorise, and he says Monzo has unfairly closed his account. Monzo and Mr T couldn’t reach agreement about things, so Mr T referred his complaint about Monzo to us. Our Investigator couldn’t resolve things informally, so the case has been passed to me for a decision.

## 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.

Having done so I’ve decided to not uphold this complaint for materially the same reasons as our Investigator.

The Payment Services Regulations 2017 are relevant to this case. In short, banks will generally be liable for unauthorised transactions; and a transaction out of someone’s account can only be authorised if the customer has consented to it. So, it’s not enough for Monzo to show how a disputed transaction was authenticated. To decide that Mr T authorised the transaction, I’d also need to be persuaded that he most likely consented to the transaction.

In this case, the disputed £60.60 transaction comprised of a £60 ATM withdrawal and a 60 pence fee. And I’m satisfied by technical evidence provided by Monzo that this transaction was authenticated by the ATM reading Mr T’s card’s chip and the correct PIN being entered.

With regards to whether Mr T consented to the transaction, I’ve taken into account everything Mr T has said about this. However, in this case I think it’s most likely that Mr T *did* consent to the transaction. I say this because even if I accepted what Mr T has said about him having lost his card and not being in the same area as the ATM at the time (and I’m not saying I do accept this), this wouldn’t explain how a third party would have known Mr T’s correct PIN in order to authenticate the transaction. Mr T has said he didn’t have his PIN stored anywhere someone else would have had access to. And whilst in some cases a PIN can be exposed by shoulder-surfing, I don’t think that’s what most likely happened here. The last time the card was used before the events of the disputed transaction was eight days previously. And the account activity around the disputed transaction suggests the person who authenticated the transaction was aware Mr T had just transferred in a sum of £67. And, essentially, I can see no plausible or persuasive explanation of how this likely would’ve occurred, but for Mr T authenticating it himself or otherwise consenting to it.

I've considered that Mr T has also said that details of the PIN were lost with the card. But bearing in mind what I've said about the account activity around the disputed transaction above, I don't think this is most likely. But even if what Mr T has said about this was accurate, I'm satisfied this would reasonably amount to gross negligence in this case, such that I couldn't reasonably hold Monzo responsible.

This means I think it's most likely Mr T did consent to the transaction and therefore authorised it, so I can't say Monzo should be required to refund the transaction as unauthorised.

I appreciate Mr T is also unhappy that Monzo closed his account. However, as our Investigator explained, banks are entitled to end their business relationship with a customer, so long as it's done fairly, and doesn't breach the law or regulations and is in keeping with the account terms and conditions. Monzo's terms and conditions allow it to close an account by giving at least two months' notice (which I'm satisfied it did do), and it doesn't have to provide a reason for doing so. And, whilst I've considered what Mr T has said about this, I haven't seen anything to persuade me Monzo did this unfairly, or that it wasn't entitled to do what it's done.

### **My final decision**

For the reasons explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 23 February 2024.

Neil Bridge  
**Ombudsman**