

## **The complaint**

Mr B complains that Monzo Bank Ltd, has not met its obligations in regard to a deposit for a party.

## **What happened**

In October 2023 Mr B paid £500 deposit for a party at a venue due in November 2023. Roughly five days before the event Mr B informed the venue he had a contagious disease and said it looked like the party wouldn't go ahead. The venue responded saying it would cancel his party accordingly. It later noted it would be keeping his deposit. Mr B complained and the venue refused to refund him. So Mr B approached Monzo.

Monzo decided not to take Mr B's dispute with the venue further through the chargeback process but it did pay him £30 in recognition of its own customer service failings. Unhappy Mr B brought his complaint to this service.

Our Investigator considered that Monzo had treated Mr B fairly. However Mr B didn't agree so this decision came to me to decide.

## **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.

Chargeback is a straightforward dispute resolution process run by the relevant card network (not Monzo). It allows for disputes to be raised with merchants and them to either accept the dispute or provide its evidence on the matter. If an amicable conclusion cannot be reached ultimately it's the card network itself which decides the outcome of the dispute. So it's possible for a card issuer to take the chargeback throughout the whole process and still not be successful having done everything correctly.

Here Monzo considered the matter and decided not to take the dispute with the venue further. It pointed to the terms and conditions and said the venue was entitled to keep the deposit in the circumstances. So it didn't do any more.

I've considered the terms here and it makes clear that if there is a cancellation outside of 30 days from the event then the deposit is kept by the venue. If within 30 days of the event then the venue keeps the deposit and can pursue the customer for the minimum spend. So considering the circumstances here (Mr B saying the party can't happen to the venue within the week of the event) it is clear to me that contractually the venue is entitled to pursue Mr B for more than the deposit and in fact for the hire fee (£100) and the minimum spend (£1500) as well. In the circumstances I'm surprised the venue hasn't pursued Mr B for these additional amounts as it would be fair to do so.

I've considered Mr B's email to the venue informing it of his disease. I note he asks for his deposit and makes no mention of making new arrangements or wanting to move the date of the event in this original email. It's clear that the event date was agreed and has since

passed without happening. And I think this email is clear that Mr B had no wish to hold the event at a later date because on balance if he had he'd have mentioned this at that point.

I note that Mr B argues he tried to move the date but this was only after he understood the venue were not refunding him. Furthermore in his email to the venue he says *"I'm happy to move it to any date after December 10th and then I'll be inside the 30 days to request a refund then,"*. Clearly Mr B had no wish to have the party as agreed and was trying to manoeuvre out of his obligation to pay the deposit he'd agreed. And in any event the venue could keep the deposit once the booking was made according to the agreed terms so the attempt to manoeuvre these terms as has happened here, would have been ineffectual anyway. The deposit was always going to be kept unless the event took place and the minimum spend met. So I don't think Monzo has treated him unfairly by not refunding him.

Considering the facts here I'm not persuaded Monzo has acted unfairly. I say this because it has discretion whether to raise a chargeback and I'm persuaded on balance that had it done so it would not have been successful. So Mr B hasn't lost out because of what Monzo did. Accordingly Mr B's complaint is unsuccessful.

I think the £30 paid fairly reflects the customer service here. So Monzo doesn't have to do more.

If Mr B wishes to continue his dispute with the venue he can do so, although he should remember that based on the events and the contract here it seems clear the venue can pursue him for the minimum spend amount as well as the deposit it kept. In any event this final decision brings to an end this service's involvement with this complaint.

I appreciate that this isn't the decision Mr B wishes to read. Mr B's complaint is far from persuasive to my mind. Mr B didn't lose out due to what Monzo did.

### **My final decision**

I do not uphold this complaint against Monzo Bank Limited. It has nothing further to do in this matter.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 18 November 2024.

Rod Glyn-Thomas  
**Ombudsman**