

## **The complaint**

Miss T complains that Monzo Bank Limited (Monzo) declined to refund fraudulent transactions, and that it later proceeded to close her account.

## **What happened**

On 23 March 2024, Miss T used an online website called 'FlightSharp', who she believed to be legitimate, to book flights for her family.

She states she called the company directly to discuss her requirements and with the consensus of her sister and partner - who also researched the company to ensure it was genuine - she proceeded to purchase the flights by providing her card details over the phone.

Despite confirmation of the flight details being received by email, Miss T was not sent the expected tickets and attempted to follow this up with the company, but her attempts were unsuccessful.

Miss T then saw two payments on her account that she did not recognise. These were for £3619.99 to 'Booking.com' and £358.00 to 'Netflights' both also made on 23 March 2024. Miss T immediately raised concerns with Monzo and reported the transactions as fraudulent.

Monzo proceeded to block Miss T's card and investigated but could not agree that the payments were unauthorised. It said it could not see how the transactions could have been authorised by anyone other than Miss T.

After considering the evidence provided, our investigator didn't uphold Miss T's complaint as he thought she was likely responsible for the transactions, and he couldn't see how the payments were not authorised by Miss T.

## **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.

Where there is a dispute about what happened, and the evidence is incomplete or contradictory, I must reach my decision on the balance of probabilities – so what I consider is more likely than not to have happened in light of the available evidence. I also think it's important to highlight that there's no general obligation for a firm to refund transactions which have taken place as a result of a scam.

There are regulations which govern disputed transactions. The relevant regulations here are the Payment Services Regulations 2017 (PSRs). In general terms, here this means Monzo is liable if Miss T didn't authorise the payments, and Miss T is liable if she did authorise them. So, the issue for me to determine is whether I think it's more likely than not that it was Miss T – or someone acting on her behalf – who authorised the transactions that are disputed.

In doing so, I've looked at internal records Monzo has provided of Miss T's account. These show technical information about exactly how the disputed transactions were carried out and specifically highlights the payments as being approved using Miss T's Monzo app and requiring 3D Secure (3DS) authorisation.

What this means is each of the transactions required Miss T to complete a further authorisation step confirming she was the card holder, so as to approve the payments. On this occasion, it required Miss T to verify the payment using her Monzo banking app and the information provided shows that 3DS authorisation was successful in both instances. Having reviewed this in detail, I'm persuaded that the transactions were most likely to have been authorised by Miss T.

But it's not enough for Monzo to show how the disputed transactions were authorised. To decide that Miss T authorised the payments to the merchants, I'd also need to be persuaded that Miss T also most likely consented to the transactions. To consider a payment authorised, the PSRs explain that Miss T must have given her consent to the execution of the payment transactions – and that consent must be in the form, and in accordance with the procedure, agreed between her and Monzo. To put it simply, unless Monzo can show that consent was given, it had no authority to make the payments or to debit Miss T's account and any such transaction would be regarded as unauthorised. So, I've gone on to consider whether consent was provided by Miss T.

Miss T maintains she thought that it was a genuine agent that she was dealing with and on speaking with them everything seemed legitimate. Miss T states it was her intention to book flights, and she was under the impression that Flightsharp was going to assist her with this, but she denies having any dealings with the merchants the payments were made to. She also mentions that despite her providing her full card details over the phone to Flightsharp, no tickets were ever received.

Monzo's evidence shows that Miss T's registered device was used to authorise the disputed transactions. The payments were approved by 3DS where Miss T's PIN was required to approve the transactions. Miss T has confirmed that her phone and Monzo app were protected by a PIN and biometrics and that she had not shared this information with anyone and nor was it written down anywhere. She states her device remained in her possession for the entire time, as did her card. But she refutes receiving any request to verify the two payments using her Monzo app.

Miss T has her own theory as to what happened and thinks its most likely she was tricked into sharing her card details with the scammers and then they used this information to make the payments to the other merchants. Miss T has also denied consenting to the payments. But from what Monzo has presented, it is difficult for me to see how it wasn't Miss T that authorised the payments as I can see no other explanation. It appears even if Miss T's card details were compromised, as is suggested here, it would be unlikely that someone without access to the card details and Miss T's phone could have carried out the payments as 3DS authorisation was still required.

I can see that Miss T has mentioned that both her sister and her partner carried out precautionary checks and researched the company before she committed to proceeding with the purchase of the flights with Flightsharp, so I can appreciate that it must have been upsetting to realise that despite completing checks and due diligence she was still subjected to a scam. I don't dispute that Miss T has been scammed here, but it is ultimately the scammers that are responsible for Miss T's loss, not Monzo.

I've thought carefully about what Miss T has alleged happened, but based on the timeline of events presented, Whilst Miss T says she only consented to a payment to Flightsharp in

order to purchase flights, I am satisfied having considered the above that both the payments disputed here were approved and so authorised by Miss T.

Taking into account the technical data provided about the payments, and how it was only Miss T that had access to her card, device and banking app, I think it's more likely than not that she was responsible for authorising the two transactions, and so it was reasonable for Monzo to hold her liable for them.

I can also see Miss T wanted to know why the individual merchants that the payments went to, weren't contacted by Monzo. So, I've considered if Monzo acted fairly in not raising chargebacks in this instance. Chargebacks are the process by which some disputes are resolved between card issuers and merchants under the relevant card Scheme rules (such as VISA and Mastercard). As I'm satisfied the payments were approved by 3DS authorisation here, I think it was reasonable for Monzo not to pursue this route of enquiry.

Following Monzo's investigation into Miss T's concerns, it wrote to her to confirm it had decided to close her account and provided her with two months' notice. As the terms of the account allow both parties to close it and adequate notice was provided to this effect, I don't think their decision to close the account was outside the agreed terms, so I won't be asking them to do anything further regarding the closure.

I fully sympathise with Miss T, and I can appreciate the distress caused by the scammer's actions and the subsequent closure of her account, but having considered all of the above, I can't reasonably expect Monzo to refund the payments. I find that it's most likely that it was Miss T, or someone she permitted, that consented to the transactions. So Monzo doesn't have to refund her.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 14 July 2025.

Sukhdeep Judge  
**Ombudsman**