

The complaint

Mr R is unhappy that Monzo Bank Ltd won't reimburse him a payment that he made to a merchant for a service he didn't receive.

What happened

Mr R made a payment of £1,877.92 to a gambling company from his Monzo account. Mr R didn't receive any form of service from the gambling company because the company closed his account shortly after Mr R had sent his money to them. Having closed Mr R's account, the gambling company told him they would refund his money to him, but then failed to do so. Because of this, Mr R approached Monzo and asked them to recover his money for them.

Monzo considered whether they could recover Mr R's money via a chargeback claim. But they noted that the relevant chargeback rules including that refunds or withdrawals from gambling companies were not eligible. Monzo therefore refused to raise a chargeback claim for Mr R, because they didn't feel that Mr R had an eligible claim. Mr R wasn't happy about this, and he also wasn't happy that Monzo only answered queries via email and wouldn't do so via telephone. So, he raised a complaint.

Monzo responded to Mr R but reiterated that they didn't consider him to have a valid chargeback claim. Monzo also noted that it was their policy to only engage via email regarding queries, but they apologised to Mr R for any inconvenience this may have caused.

One of our investigators looked at this complaint but felt that Monzo's response to the complaint already represented a fair resolution to it. Mr R didn't agree, so the matter was escalated to an ombudsman for a final 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 note that Mr R has provided several detailed submissions to this service regarding his complaint. I'd like to thank Mr R for these submissions, and I hope that he doesn't consider it a discourtesy that I won't be responding in similar detail here. Instead, I've focussed on what I consider to be the key aspects of this complaint, in line with this service's role as an informal dispute resolution service.

This means that if Mr R notes that I haven't addressed a specific point that he's raised, it shouldn't be taken from this that I haven't considered that point – I can confirm that I've read and considered all the submissions provided by both Mr R and Monzo. Rather, it should be taken that I have considered that point but that I don't feel it necessary to address it directly in this letter to arrive at what I consider to be a fair resolution to this complaint.

Mr R asked Monzo to raise a chargeback claim for him against the gambling company. However, a chargeback claim isn't a 'right' that a customer has. And whether a claim is raised or not is entirely at the discretion of the bank.

It would generally be expected that a bank would raise a chargeback claim when it's felt that claim has a reasonable chance of success. But in this instance, Monzo didn't feel that Mr R's claim had any chance of success, because they felt it was invalid claim as per the chargeback scheme rules.

These rules for the relevant chargeback scheme include that for transactions related to gambling, a chargeback right is only available for a payment that failed to appear in the gambling account. And the rules also state that no chargeback claims are available for refunds from gambling companies.

Mr R has said that his payment to the gambling company never reached that company, and so he should be eligible to make a chargeback claim to recover that money. But Mr R has provided details of the correspondence between the gambling company and himself, and this correspondence confirms to me that the gambling company did receive Mr R's money and did attempt to refund it to him.

This includes the following message from the gambling company to Mr R:

"I can confirm you were sent a confirmation refund in the amount of £1,877.92 ... on 5 September 2023.

You have advised us that these have never reached you..."

Furthermore, Mr R himself has repeatedly told this service that the gambling company agreed to reimburse his money back to him.

I feel that this is significant, because I wouldn't expect a company to reimburse money back to a customer that the company had never received. Instead, I would only expect a company to reimburse money back to a customer that they have received.

As such, I feel that it's reasonable to conclude here that Mr R's money was received by the gambling company, and that the gambling company attempted to reimburse this money back to Mr R, but that the reimbursement was never received by Mr R.

This is of course very unfortunate for Mr R, and I hope that he can recover his money from the gambling company. But I'd satisfied that it also means that Mr R was receiving a refund from the gambling company, and that therefore this transaction isn't eligible for reimbursement under the relevant chargeback scheme rules, as explained above. And it follows from this that I won't be upholding this aspect of Mr R's complaint against Monzo.

Mr R is also unhappy that he could only raise a query and engage with Monzo about that query via email, and he would have preferred to have been able to contact Monzo by telephone. But it's for Monzo to decide how they operate in this regard, and this service has neither the remit nor the authority to instruct a business to change how it operates. Additionally, it's clear that Mr R was able to engage with Monzo about this matter via email, and so I don't feel that Mr R has been adversely or unfairly affected by Monzo's policy.

Finally, Mr R is unhappy with the length of time it took Monzo to respond to his complaint about the chargeback claim. However, this aspect of Mr R's complaint isn't one that I'm able to consider.

This is because this service can only complaints about financial matters. And how a business has handled a complaint it not itself a financial matter, even when the complaint in question is about a financial matter. In short, this service cannot consider a complaint about how a business has handled a complaint.

All of which means that I won't be upholding this complaint or instructing Monzo to take any further or additional action here, because I don't feel that Monzo have acted unfairly as Mr R contends. I realise this won't be the outcome Mr R was wanting, but I trust that he'll understand, given what I've explained, why I've made the final decision I have.

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 Mr R to accept or reject my decision before 20 February 2025.

Paul Cooper
Ombudsman