

## **The complaint**

Mr M has complained Monzo Bank Ltd won't refund him for disputed transactions he didn't make.

## **What happened**

In September 2022 Mr M noticed many transactions on his Monzo account he didn't recognise or believed he couldn't have made. He'd recently been committed to hospital and then to prison so disputed over £1,500 worth of disputed transactions made mostly in September 2022 when he believed he was in prison so couldn't have made these transactions.

Monzo could show that transactions had been made using Mr M's genuine debit card and PIN. They were also able to show that Mr M had contacted them using the Monzo app during this period. They could see no point of compromise.

They believed that Mr M had signed up to two sets of regular transactions, one involving a credit check and the other for the premium service Monzo offered. They wouldn't reimburse Mr M.

Mr M brought his complaint to the ombudsman service.

Our investigator felt that Monzo's evidence was convincing so wasn't going to ask Monzo to do anything further. She noted Monzo had offered to refund £15 to Mr M for one of the monthly payments made from the account.

Unhappy with this outcome, Mr M has asked an ombudsman to consider his complaint. He's also drawn attention to his serious mental health issues and has strongly denied making these transactions himself.

## **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 reached the same outcome as our investigator. I'll explain why.

Where there is a dispute about what happened, I have based my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in the light of the evidence.

It's worth stating that I can choose which weight to place on the different types of evidence I review, including technical evidence, provided by financial institutions along with complainants' persuasive testimony.

When considering what is fair and reasonable, I'm required to take into account: relevant law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

The regulations which are relevant to Mr M's complaint are the Payment Services Regulations 2017 (PSRs). These primarily require banks and financial institutions to refund customers if they didn't make or authorise payments themselves.

To help me come to a decision, I've reviewed the evidence Monzo provided as well as what Mr M has told us.

I believe Mr M authorised all of the disputed transactions. I say this because:

- Monzo's records show logons to Mr M's phone – the device registered to his Monzo account – in September 2022. Mr M has stated he was in prison during this period and that someone else must have got hold of his phone and bank card, which had not been secured when he was arrested.
- Apart from how an unknown third party could have accessed Mr M's phone and PIN without any failed attempts at use, I note that evidence Mr M has provided about his period in prison has shown two conflicting sets of dates.
- There are two letters by the same independent entity confirming Mr M's incarceration. One letter stated Mr M was in prison from 8 May 2022 to 8 September 2023. The other confirms his incarceration as 26 January 2023 to 8 September 2023.
- I am aware that around this time Mr M was also spending time in hospital because of his serious mental health issues.
- I have reviewed the disputed transactions. As previously stated, these were all conducted with Mr M's genuine card and PIN. I know that Mr M's PIN for his phone was identical to his debit card so unlike Monzo, I can see there is scope for compromise.
- However, I don't believe this is what happened. An examination of the disputed transactions shows that many of these took place in identical locations to many places where Mr M had previously used his debit card.

This fact, combined with the likelihood that Mr M wasn't in prison for the majority of these transactions, means that I'm satisfied there is enough evidence to show that Mr M made the transactions himself.

I note that Monzo has offered to refund one of the monthly fees of £15 to Mr M. I agree this resolution is fair.

I'm very aware that Mr M has strenuously denied he made these transactions and I appreciate how upset he is about what happened. I am sure he will continue to object about this outcome, but I have to tell him my decision marks the end of his complaints process at the ombudsman service.

### **My final decision**

For the reasons given, my final decision is to instruct Monzo Bank Ltd to refund £15 to Mr M.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 10 February 2025.

Sandra Quinn

**Ombudsman**