DRN-5181826

Financial Ombudsman Service

The complaint

Mr S complains that Monzo Bank Ltd ("Monzo") is holding him liable for a transaction for £2,203.99 which he says he didn't authorise.

What happened

The background to this complaint is well known to both parties, so I won't repeat everything here. In brief summary, Mr S has said that on 1 September 2024 a transaction for £2,203.99 was debited from his Monzo account which he didn't authorise. Mr S complained to Monzo but they couldn't reach agreement about things, so Mr S referred his complaint about Monzo to us. As our Investigator couldn't resolve the matter informally, 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 already explained by our Investigator. There's no need for me to repeat these reasons here again, but in brief summary:

- Generally speaking, Monzo is required to refund any unauthorised payments made from Mr S's account, and Mr S should only be responsible for transactions made on his account that he authorised. Those rules are set out in The Payment Services Regulations 2017. Mr S has said that he didn't authorise the transaction he's disputed. So, I have to decide whether or not I think Mr S most likely authorised this disputed transaction. And in this case I'm persuaded that Mr S most likely did authorise this transaction.

- I say this because I've seen information that persuades me that for the transaction to have happened, not only were the card details (such as the long number, expiration date, and CVV) likely needed here, but also that as part of the overall process, a pop-up notification would have appeared on Mr S's device such that he would have needed to have approved things in his Monzo app before the transaction was allowed to proceed.

- The information I've seen, including from Mr S, has suggested to me no plausible explanation as to how a third party could have authorised this through Mr S's Monzo's app without Mr S's knowledge or consent.

- Mr S has confirmed that he was not called on the phone in relation to this payment and he didn't receive any suspicious texts or click on any suspicious links. Therefore I haven't found that this transaction was the result of a scam.

- There was a credit of £2,200 into Mr S's Monzo account from Mr S's account with a third-party payment institution shortly before the disputed transaction. There's no plausible explanation here how a third party would have been aware of this to allow them to then spend this money so conveniently apparently without Mr S's knowledge or consent, so quickly after it arriving into the account.

- Mr S has said that PayPal has confirmed that the disputed transaction was carried out by someone else. But this case isn't about PayPal. This complaint is about Monzo, and for the reasons I've explained, I'm persuaded that Mr S or someone with his consent made the transaction which he disputes, such that it's fair for Monzo to have treated the transaction as authorised, and to have not refunded it.

I've thought about everything that's been said and provided, but this hasn't changed my mind. Overall, I think Monzo has acted fairly and reasonably in how it has dealt with matters here, and I don't uphold this complaint.

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 S to accept or reject my decision before 23 September 2025.

Neil Bridge
Ombudsman