

The complaint

Mr M complains that Monzo Bank Ltd (Monzo) won't refund transactions made on his account that he didn't authorise.

What happened

On 4 July 2024, Mr M contacted Monzo to report that he had been a victim of fraud. He said a friend that he had trusted and that had assisted him in opening his account, had withdrawn money belonging to him. He disputed several transactions made on his account that he had not authorised.

The payments disputed consisted of:

- £500 faster payment on 8 June 2024
- £500 faster payment on 11 June 2024
- £1000 faster payment on 13 June 2024
- £30.91 card payment on 17 June 2024
- £30.68 card payment on 17 June 2024
- £1,000 faster payment on 18 June 2024
- £2,038.41 faster payment on 19 June 2024

Mr M mentions that he first became aware of the matter when the individual's wife contacted him and alerted him to what had happened and told him that the individual involved had moved away. Although the police were contacted, they were unable to assist.

Monzo investigated Mr M's claim, but could not agree that the transactions were not authorised. It considered that Mr M had most likely authorised them and said it could only see one device ever registered on the account and there was no other remote access evident.

But Mr M denied it was him. He suspected the individual had access to his card details and had made payments to himself as the majority of the payments were transferred to this individual's account.

After considering the evidence presented, our investigator didn't uphold Mr M's complaint. She concluded that Mr M had likely consented to the payments.

As Mr M remained unhappy, the matter was passed 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.

But first I want to acknowledge what Mr M has told us about his health, in that he struggles with his memory and with remembering details because of an injury he sustained some time ago. I can appreciate that this has been a difficult time for Mr M, and I want to reassure him that I have taken his circumstances into account when looking at this complaint.

I'd also like to clarify that although I've only provided an overview of what happened, I've read and considered everything that has been provided.

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

Where there's a dispute about what happened, and the evidence is incomplete or contradictory, I must make my decision on the balance of probabilities – in other words, what I consider most likely to have happened in light of the available evidence.

Generally, Monzo can hold Mr M liable for the disputed transactions if the evidence suggests it's more likely than not that he made or authorised the transactions himself.

But the regulations relevant to this case say that authentication isn't, on its own, enough for Monzo to hold him liable. I also need to think about whether the evidence suggests that Mr M, or someone acting with his authority, consented to the transactions being made.

To decide this, I've carefully considered what he's told us about what happened. Along with considering all of the available evidence.

Mr M has been clear that it was his decision to open an account with Monzo and that he enlisted the help of a friend, to help him with setting up the account. It's also not in dispute that Mr M opened the account on his device.

On setting up the account, I can see Mr M was required to complete a video verification process in addition to submitting his driving licence to confirm his identity. This process would have required Mr M to log on to the Monzo app that had been installed on his phone and upload a short self-recorded video of himself.

Monzo acknowledged that there is another voice present at the beginning of the video verification provided by Mr M, which would tie in with what Mr M has mentioned about him relying on some assistance to set up the account. I also understand that the email address registered with Monzo was later found to belong to the individual that helped set up the account.

Mr M maintains that both his mobile device and his debit card were always in his possession, and that he never allowed anyone access to them. But he mentions that it is his belief that the individual who helped him set up the account, who also worked for him and had access to his home, took advantage of his position and possibly gained access to his account information which was then used to defraud him. Mr M states he also requested another card on his account but as this was never received, he thinks that the individual may have intercepted his post and gained access to it. But Monzo were unable to see that any further request for a second card was received and the information it has provided confirms there was only ever one card active on Mr M's account.

The technical data Monzo has provided shows that Mr M's physical card was used to make two of the payments that are in dispute. These payments were made to different merchants on 17 June, and both required the card to be present and a Personal Identification Number (PIN) was also required for at least one of the transactions. Given Mr M has said that the

card was always in his possession, he kept it on his person along with his phone, and he hasn't said he's disclosed his PIN to anyone else, I cannot see how it would have been possible for another third party to have made these payments without his consent.

Mr M has suggested that his card may have been cloned. But it's not generally thought possible to copy the chip on the card, and our service hasn't come across any cases where we felt this was a likely explanation of what happened. I haven't seen any persuasive evidence this is what happened in this case. So, I'm satisfied that these transactions were made using Mr M's genuine card and PIN.

The remaining transactions were faster payments all of which it seems went to the same account. The first faster payment for £500 was made on 8 June. And on the same day there was a payment of £70 which Mr M has told Monzo he consented to. This was followed by a further card payment for £100 on 10 June, which again Mr M has confirmed was made by him.

The final faster payment for £2038.41, was for the total remaining balance on Mr M's account and was made on 19 June, so two days after the disputed card payments. But what is unclear is how it would have been possible for a third party who didn't have access to the account information to have known the exact balance remaining in the account before making this transfer and why the payments were taken over such a long period of time. Whilst there is no 'typical fraudster,' the activity doesn't suggest that this was the behaviour of someone that was using Mr M's account without his authority or consent.

What's more, there was access to the app, which would have entailed access to Mr M's device on a number of different occasions over the course of almost two weeks. The information I've seen shows that the banking app was regularly being accessed on the registered device, sometimes as frequently as four times in one day, and this activity spanned the entire period of the disputed transactions. So, it's difficult to see how the disputed activity was not noticed, given the amount of money that was being transferred, and that the balance on the account was depleting. Given this would have been evident to see, and because Mr M didn't report the activity to Monzo immediately, I am persuaded that it is more likely than not that Mr M or someone acting with his authority, consented to the transactions being made.

I realise that just because there's no obvious point of compromise, it doesn't mean Mr M made the payments himself. But here, given my observations, based on what Mr M has said about not sharing his phone and his card with any third party and that they were in his possession at the time of the disputed transactions. It seems more likely than not that these payments were made by Mr M, or someone with this authority. That means I don't consider Monzo has been unreasonable in holding him liable.

I don't doubt this has been a difficult time for Mr M, especially given the problems he faces remembering everything, and it is understandable that he is upset. But my role is to consider whether Monzo are being unfair in holding Mr M liable for the transactions he is disputing on his account. Having considered the evidence provided, on balance I'm persuaded that either Mr M, or someone he entrusted, consented to the payments on the account. I recognise that Mr M will be disappointed with this outcome. But as I haven't seen anything to suggest that Monzo has been unreasonable in holding him liable for the disputed transactions, I won't be requiring it to take any further action.

My final decision

For the reasons provided, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 16 July 2025.

Sukhdeep Judge
Ombudsman