

The complaint

Mr K says Monzo Bank Ltd (“Monzo”) refuses to refund him for payments on his account he says he didn’t agree to.

What happened

The facts of this complaint are well known to both parties, so I won’t repeat them in detail.

In short, Mr K says he made payments to online gaming companies between January and April 2024, but he was not informed the transactions would be taken in euros and would incur a currency exchange fee. He says he never agreed to pay the currency exchange fee and would like this money refunded. Mr K says he has received refunds for some of the transactions, but not all, and he wants to know why.

Mr K is also unhappy with the customer service he received in making his complaint, and how he’s been treated by Monzo since it closed his account. He would like compensation for this.

Monzo says it asked Mr K for evidence of the disputes he was raising in order for it to consider raising a chargeback. However, it says it never received the information as requested so his claim was refused. Monzo says it should’ve provided Mr K with better customer service, and for this has offered him £70 in total.

Our investigator considered this complaint but felt it wasn’t one she could uphold. Mr K wasn’t happy with this outcome, so the complaint has been passed to me 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.

Generally speaking, Monzo is required to refund any unauthorised payments made from Mr K’s account. Those rules are set out in the Payment Service Regulations 2017. However, Mr K is not claiming he didn’t make the transactions himself, he says he didn’t authorise the merchant to charge an additional currency exchange fee. For completeness, I will briefly address my findings on the authorisation of the transactions.

Monzo has provided evidence that the transactions were made online using Mr K’s card details. They were then only processed once they had been verified in the Monzo banking app – and the evidence demonstrates this process was completed successfully. Mr K hasn’t claimed to have lost his card, nor has he claimed that his online banking app had been compromised. There is no evidence of an account take over, and everything I’ve seen suggests Mr K was responsible for making these transactions. So, I am satisfied there were authorised by Mr K and not by a third party.

Mr K’s complaint is that he didn’t consent to the currency exchange fee that was charged per transaction as the merchant never made it clear they would be conducted in Euros. I

appreciate what Mr K has said, and I've reviewed his chat history with the merchant. However, this is not something I can uphold this complaint on, as per the rules set out in the PSRs. I'll explain why below.

According to the laws governing unauthorised transactions, Mr K gave his consent to the payments being processed by verifying the transactions in his Monzo app. The concept of giving consent is a formal one – if the consumer uses the agreed form and procedure for making payment orders then they've given consent to the execution of the payment transaction.

The PSRs say that this is an objective test, and it doesn't depend on the consumer being fully aware of the details of the payment at the time they completed the procedure for giving consent. So, the consent referred to in the PSR 2017 isn't the same as 'informed consent' (a concept that applies in other contexts such as healthcare). The validity of a consumer's consent to a payment transaction does not depend on the payment transaction being fully explained to them. This means that if a payee has been deceived about the purpose or amount of a payment, that doesn't usually make the payment transaction unauthorised.

Mr K says tried to raise a chargeback via Monzo and he is unhappy these were not fulfilled. However, there are only two grounds for raising a chargeback in this scenario. One is for fraudulent transactions, and the other is on the grounds that the good and services were not received. Mr K's concerns doesn't fall under either of those categories. So even if he had provided enough information for Monzo to complete a chargeback, I don't think it's likely these would've been successful.

Mr K has questioned why he has received a refund for some transactions but not all, when he had submitted the same evidence for all. I understand the refund was received from the merchant, and not from Monzo. And so, this is not something I can consider in this complaint about Monzo.

I have also looked at the level of customer service Mr K received throughout his complaint. Mr K says he has sent over 80 emails which have not been responded to and Monzo has failed to return his calls. Mr K also says he has been mistreated and ignored by Monzo since it decided to close his account.

I have considered the evidence I have on file I can see that Mr K contacted Monzo several times after making his initial complaint to request an update on the process. However, Monzo replied asking Mr K to provide a completed disputes form with each transaction in dispute set out separately. This conversation did not progress further than this for some time. Mr K continued to ask for an update and Monzo continued to request the same information in response. In my view, this was a clear breakdown in communication on both sides.

I have not been provided any other evidence to support what Mr K says about the poor customer service received. But I have seen that Monzo delayed logging his complaint initially, and then failed to provide the compensation it offered to apologise for this. It initially offered £20, and then offered a further £50 for failing to send him the compensation it had offered. And I think this amount is fair for the mistakes made. So, from the evidence provided, I don't think Monzo need to do anything further.

My final decision

For all the reasons outlined above, I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or

reject my decision before 23 May 2025.

Sienna Mahboobani
Ombudsman