

The complaint

Mr M complains about the way in which Monzo Bank Ltd trading as Monzo handled his disputed transaction claim.

What happened

On 19 September 2024 Mr M's Monzo account was debited £1300 to LB Camden.

Mr M says he was charged the incorrect amount by LB Camden and that the correct charge was £265. He raised a chargeback dispute with Monzo and provided Monzo with an invoice showing that he had incurred a vehicle removal fee of £265 comprising £65 penalty and £200 removal fee.

Monzo issued a temporary refund of £1300 and investigated the claim.

Monzo subsequently re-debited £265. It said it had approved the up front refund of £1300 when it should have approved an up front refund of £1035.00 (taking account of the fact that there was a vehicle removal fee of £265 to be paid according to the invoice provided by Mr M).

LB Camden disputed the chargeback. It provided evidence to show that Mr M had incurred multiple fees over the course of several months and the sum of £1300 was due.

Monzo reviewed the evidence and decided that that chargeback claim couldn't succeed.

Mr M was unhappy with the outcome and brought his complaint to this service.

Our investigator didn't uphold the complaint. she said that Monzo had handled the chargeback claim fairly and that it had correctly declined the claim based on the available evidence.]

Mr M didn't agree. He said he wanted compensation for the distress and inconvenience he'd been caused.

Because Mr M didn't agree I've been asked to review the complaint.

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.

I know it will disappoint Mr M but I agree with the investigators opinion. I'll explain why.

Chargebacks are a voluntary scheme. The way a chargeback works is that the card issuer checks the complaint against the possible chargeback reasons to see what sort of evidence is required. This is so it can decide whether it can make a successful chargeback claim for the customer. Card issuers don't have to submit claims and will only do so if they have evidence that will support a successful claim. This service expects card issuers to help if

they can, but we don't expect them to raise a chargeback if there is little prospect of success.

I've looked at all the information regarding Mr M's request to raise the chargeback to decide whether Monzo acted fairly and reasonably when it declined the claim.

When Mr M raised the chargeback claim, Monzo issued a temporary refund whilst it investigated. Monzo refunded £1300 but later re-debited £265 on 23 October 2024, leaving Mr M with a credit (refund) of £1035.

Mr M has said that Monzo re-debited £265 on 21 September 2024. Having reviewed the statements, I don't think this is correct. The £265 debit on 21 September 2024 appears to have been initiated by LB Camden, not Monzo.

LB Camden disputed the chargeback claim. It provided evidence to show that Mr M had incurred multiple fines and charges relating to his car which totalled £1300.

Based on the evidence provided by LB Camden, Monzo decided not to pursue the chargeback claim.

Where a merchant disputes a chargeback claim and provides evidence, the bank (in this case Monzo) doesn't have to carry out a detailed investigation. It assesses whether – in the light of the evidence provided – the chargeback claim is likely to be successful. In this case, Monzo decided that the chargeback wasn't likely to succeed.

Based on what I've seen, I'm satisfied that Monzo followed the chargeback process correctly.

It isn't clear whether Monzo has re-debited further amounts following its decision that the chargeback claim should be rejected.

I appreciate that Mr M has said that he's been caused distress and inconvenience. He's said that the chargeback process took a long time and that these delays left him unable to manage his finances effectively. I've thought about this but I haven't seen any evidence of undue delay on Monzo's part in its handling of the chargeback claim.

For the reasons I've given above, I'm unable to uphold the complaint. I won't be asking Monzo to do anything further.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 20 June 2025.

Emma Davy
Ombudsman