

The complaint

Miss M complains that Monzo Bank Ltd has declined to reimburse payments she says she didn't make or allow anyone else to make.

What happened

Miss M is disputing several payments totalling almost £4,500 made in June 2024 using her Apple Pay to a cryptocurrency platform. She says she had no involvement in moving funds from her savings account to fund the payments, or in making the payments themselves.

Monzo declined to reimburse Miss M on the basis that they didn't think the evidence supported the payments being made fraudulently.

When Miss M referred her complaint to our service, the investigator didn't uphold it. In summary they thought Monzo had acted fairly in treating the payments as authorised.

Miss M didn't accept this, she said there was no evidence that she had received anything for the payments. The investigator's findings remained the same.

As an agreement couldn't be reached, the matter has been passed to me for a decision by an ombudsman.

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'm not upholding this complaint for similar reasons to the investigator.

As Miss M says the disputed payments are unauthorised, the relevant law here is the Payment Services Regulations 2017. The starting point is that Miss M is responsible for payments that she authorised, and that subject to certain considerations, Monzo should refund unauthorised payments. So, I'll address the issue of whether I think Monzo has fairly concluded the payments were authorised first.

Miss M says that at the time the payments were made she was at work - her phone (which requires face ID or a passcode to access it) was in her bag and no-one went near it. She says when she checked her phone, she saw the activity and reported it to Monzo.

Monzo has provided evidence to show that only one device was registered to Miss M's account at the time, and the device ID that was used to transfer money from her savings account to her main account to fund the transactions was that device. This is the same device used for undisputed activity and that Miss M continued to use when raising her dispute.

Monzo has also shown that the Apple Pay token used to make the disputed payments was the only one that had been linked to Miss M's account and had been set up in 2023 on Miss M's device.

Where evidence is incomplete or contradictory, I need to make a finding on the balance of probabilities and conclude what I think is more likely than not to have happened on the evidence available.

Based on the evidence provided, I think Monzo has acted fairly in concluding that the payments were authorised. This is because there isn't a plausible explanation for how an unknown third party could have undertaken the activity on Miss M's device that Monzo has evidenced without her involvement. So, I think it's more likely that Miss M made the disputed payments.

Miss M says Monzo should have done more to protect her at the time, such as by asking her about the payments. While there are some circumstances in which it would be good practice for Monzo to make additional checks before processing a payment, I don't think it would be reasonable to make an award on this basis in the circumstances, I'll explain why.

Considering the disputed activity, I'm not confident that I have the full picture here. I've explained above why I think it's most likely that Miss M did make the disputed payments. As Miss M has been provided with the opportunity to let us know if she took these steps as part of a scam and has maintained that she wasn't involved, I don't know why she took the steps I think she did or what she would have likely told Monzo had it intervened. So, it wouldn't be reasonable for me to conclude that had Monzo had intervened this would likely have prevented her from making the payments.

Miss M received some emails from the merchant, which was a cryptocurrency platform, but says she thought these were spam. I appreciate that Miss M says she hasn't received any benefit from the payments, but there's no evidence to suggest that the merchant didn't provide the service of crediting a wallet as confirmed in the email sent to her. I accept it's possible Miss M didn't receive the benefit of this service but unfortunately a chargeback can't be raised on that basis. So, I don't think Monzo could reasonably have done more to recover Miss M's funds.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss M to accept or reject my decision before 1 August 2025.

Stephanie Mitchell
Ombudsman