

The complaint

Mr M says Monzo Bank Ltd (“Monzo”) refuses to refund him for transactions on his account he says he didn’t authorise.

What happened

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

In short, Mr M says he was away on holiday in a bar, and he believes his drink got spiked. He woke up the next morning with no recollection of anything that happened after he purchased his first drink in the bar alone. He checked his account and discovered unauthorised transactions on his account. He was unable to find his Monzo card, so Mr M believed his card has been used to make the unauthorised transactions. Mr M says the disputed spending on his account is out of character and so Monzo should’ve blocked the payments from being made.

Monzo has provided evidence that the transactions were carried out using Mr M’s device via ApplePay. And as Mr M explained that his phone was in his possession the next morning, and it was protected with face ID, Mr M must have authorised the transactions himself.

Our investigator considered the complaint and felt that it wouldn’t be fair to hold Monzo liable for the payments in dispute. Mr M 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 M’s account. Those rules are set out in the Payment Service Regulations 2017. Mr M has said he didn’t carry out the transactions in dispute. So, I have to give my view on whether I think Mr M did authorise the transactions or not.

Monzo has provided evidence to show the transactions were completed on 7 September 2024 using ApplePay on Mr M’s mobile device. This is enough to show the transactions were correctly authenticated using a method of payment Mr M had used previously. However, I now need to consider whether Mr M consented to the transactions.

Mr M’s testimony states that he didn’t consent to these transactions. He says he was spiked and doesn’t have any recollection of what happened during the time the transactions were made. Mr M says he woke up the next morning in his apartment with his phone next to him, but with no memory of how he got there. I have considered what Mr M has said here and I’m sorry to learn that this happened to him.

While I have sympathy for Mr M's situation, I have to apply the principles of the Payment Services Regulations 2017 to decide if Monzo should be held responsible for these payments. Within the regulations it states that consent must be given in accordance with an agreed procedure between the payer and the payment service provider. In this case, ApplePay is an accepted form of payment and the process of consent for using this method is simply tapping your phone on the card reader after overcoming the device security.

The rules relevant here set out that consent is 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. This means that if a payee has been coerced into making a payment or deceived about the purpose or amount of a payment, that doesn't usually make the payment transaction unauthorised. Where a consumer says they were drunk or drugged so couldn't appreciate what was happening – this also doesn't make the transaction unauthorised.

So overall, while I appreciate what happened to Mr M must have been distressing, I can't say that Monzo should refund the payments in dispute as the regulations make it clear that they should be treated as authorised. There may be other routes of recourse for Mr M which might be more appropriate, and I hope he is able to find a resolution there.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 15 October 2025.

Sienna Mahboobani
Ombudsman