

The complaint

Miss R complains Monzo Bank Ltd didn't do enough to help get a refund for a purchase made on her debit card.

What happened

In August 2024, Miss R booked flights online with a company I'll call "T". When booking the flights, Miss R also paid for an extended refund policy, which would refund the cost of the flights, if she was unable to travel for certain reasons.

Before Miss R was due to travel, she had a medical appointment booked in for the period she was due to be away. Miss R says she contacted T and was advised to cancel the flights and claim under the extended refund policy.

Miss R did this, however, says T asked for information that wasn't necessary or impossible to provide. Miss R says she provided everything as required in the terms and conditions to receive a refund. Unable to resolve the matter with T, Miss R contacted Monzo for help in getting a refund.

Monzo raised a chargeback on behalf of Miss R, which is a process of asking the merchant (T) for a refund, via rules set by the card scheme provider, Mastercard in the circumstances. T defended the chargeback, so didn't agree Miss R was due a refund.

Having received T's defence, Monzo messaged Miss R in-app to make her aware of T's defence and ask for further evidence to support her dispute, sending a chaser a few days later. Having not received a response from Miss R by the deadline it had set, Monzo closed Miss R's dispute in T's favour and removed a temporary credit for the disputed amount.

Unhappy Miss R complained. She said Monzo hadn't made it clear it would be sending updates in-app and for something so important it should have sent emails. Monzo doesn't agree it's done anything wrong. It says it made Miss R aware it would provide updates in-app and closed the dispute as it hadn't received a response from Miss R in time.

Miss R then referred her complaint to our service. One of our Investigators looked into what happened and didn't think Monzo had treated Miss R unfairly. She said Monzo had communicated with Miss R in line with its processes and had followed the chargeback scheme rules.

Miss R disagreed. She said she'd provided Monzo with all the evidence required to show she had a valid claim for a refund. As the matter remained unresolved, it's been 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.

I'm looking here at the actions of Monzo and whether it acted fairly and reasonably in the way it handled Miss R's request for help in getting his money back. This will take into account the circumstances of the dispute and how the merchant has acted, but there are other considerations, such as the card scheme rules, which Monzo must follow and its own obligations.

Miss R paid using her debit card. This meant the only realistic option available to Monzo to help get her money back was to engage with a process known as chargeback.

The chargeback process provides a way for Monzo to ask for a payment its customer made to be refunded. Where applicable, it raises a dispute with the merchant (T) and effectively asks for the payment to be returned to the customer. There are grounds or dispute conditions set by the relevant card scheme (Mastercard) and if these are not met, a chargeback is unlikely to succeed.

The process provides an opportunity for a merchant to provide a defence to the chargeback and its own evidence in support of that defence. If the merchant continues to defend the chargeback, Monzo can either accept that defence, or it can ask the card scheme to decide who gets to keep the money – usually referred to as arbitration.

It's important to note, in this decision, it's not for me to decide the outcome of Miss R's chargeback, rather my role is to decide whether Monzo acted reasonably in the chargeback process. Monzo raised a chargeback to support Miss R, so my decision focuses on what it did having received a defence from the merchant.

Monzo made Miss R aware T had defended the chargeback in-app and asked that she provide further information. While Miss R says she had already submitted all the evidence she had, in order for Monzo to challenge the chargeback further, the card scheme rules set out that the cardholder (Miss R) must reassert that they have a valid dispute if a chargeback is defended. So, without this, Monzo wouldn't be able to continue with the chargeback.

Miss R says Monzo should have emailed her as she was abroad at the time, so wasn't always receiving in-app messages. Monzo has explained its process is to contact its customers in-app, and I can't see it was made aware Miss R would require adjustments to how it communicated with her. Added to this, when raising the chargeback, Monzo confirmed to Miss R that it would provide any updates in-app. Therefore, I don't think Monzo made an error in asking for the information in line with its standard processes.

Having not received a response to its requests for further information, Monzo closed the dispute in the merchants' favour, which it had explained in its requests for further information. The card scheme sets strict time limits to escalate a chargeback, so I don't think Monzo did something wrong in closing the dispute having not heard from Miss R.

As a result, while I appreciate this is unlikely to be the answer Miss R is hoping for, I think Monzo acted fairly in its handling of her chargeback dispute. Monzo raised the chargeback, and having received a defence from the merchant, asked Miss R for further information. While I note Miss R may not have been able to access this request, I haven't seen anything to say this was due to an error by Monzo. There are strict time limits to escalating a chargeback and as Monzo hadn't heard from Miss R within this timeframe, I think it was entitled to close the dispute. Therefore, I won't be asking Monzo to do anything further to resolve this complaint.

My final decision

For the reasons set out above, I don't uphold this complaint.

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

Christopher Convery
Ombudsman