

The complaint

Mr A has complained about the way Monzo Bank Ltd (“Monzo”) dealt with a claim for money back in relation to some flights he paid for with credit it provided.

What happened

The facts in this case are not disputed so I’ve only briefly set them out here. In June 2025, Mr A used his Monzo credit card to pay for flights for six people through a booking agent I’ll refer to as B. In total he paid £372.83. Mr A and his party were due to fly out on 4 January 2026.

Mr A says that he subsequently needed to change the flights and when he contacted B to do so, it informed him that there was a charge of around £160 per person, which is more than each flight ticket cost. I understand rather than amending the flight, Mr A instead booked new flights. However, he checked with the airline and says the cost to change flights was just over £22 not the £160 he was informed of by B. Mr A hasn’t said specifically what he would like to resolve the complaint, but feels B acted incorrectly by telling him the charge was £160 per person rather than the £22 charged by the airline.

When he complained to B, it informed him that the charge coming up was £160 per person, and the terms that he agreed to enabled it to charge him this fee. When it wouldn’t agree with him, Mr A contacted Monzo to make a claim saying he’d been charged the wrong amount – although I understand Mr A didn’t actually pay the £160 charge. Between 24 June 2025, and 10 July 2025, Monzo and Mr A went back and forth communicating about the dispute. Monzo wanted to know how B had breached the terms of its contract with him, whereas Mr A felt B was overcharging him for an amendment/cancellation fee because the airline itself only charged around £22 to change a flight.

Eventually Monzo attempted to raise the chargeback on behalf of Mr A, but this was defended by B who explained that its terms allowed it to charge Mr A the fee. So Monzo decided not to pursue the matter any further.

Unhappy, Mr A decided to refer his complaint to the Financial Ombudsman. He re-iterated his earlier points. Our investigator looked into things and felt that the way Monzo handled Mr A’s chargeback claim wasn’t unfair. And after Mr A clarified that he’d paid with a credit card, our investigator also looked at a potential claim under section 75 of the Consumer Credit Act 1974 (section 75). But they felt there wasn’t sufficient evidence of a breach of contract or misrepresentation that would enable them to order Monzo to offer a remedy.

Mr A didn’t agree and pointed out the following:

- The live chat advisors from B said that they do not charge any fees and all fees come from the airline
- The airline website clearly shows it only charges around £22 to change flights plus any fare difference – but there wasn’t any fare difference at the time.

- He clearly has a claim under misrepresentation as the live chat advisors have told him that B doesn't charge any additional fees on top of the airline fees B gets charged by the airline

As things weren't resolved the complaint has 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.

Firstly, I'd like to reassure Mr A, that I have considered all his concerns carefully, but I will only be dealing with the most salient parts of the complaint in this decision as I'm required to decide matters quickly and with minimum formality.

Chargeback

Whenever a consumer makes a claim for money back from their bank, businesses like Monzo have two potential ways to retrieve money back for consumers. A claim under chargeback and a claim under section 75. I will initially look at Mr A's claim under the chargeback process.

Under the chargeback process, Monzo is able to ask for a refund directly from B under specific circumstances through the Mastercard chargeback scheme. There are various reason codes that can be used. Monzo's role is to ensure the facts and evidence submitted are enough for it to request a refund on Mr A's behalf under a specific reason code, and then if a defence is submitted by the merchant (B), it has to check whether any defence is valid under the chargeback rules.

I appreciate Mr A is unhappy that Monzo requested full details about his disputes with B on several occasions before attempting the chargeback. But the chargeback rules are very specific and Monzo needed to ensure it was requesting a refund under the correct reason code. And not all disputes are captured by the chargeback rules. Some disputes simply do not entitle a consumer to request a refund through the chargeback scheme.

Common reasons include goods/services not being provided or being defective. Another common reason code is where the merchant doesn't correctly give a consumer a refund in line with its refund policy. A consumer feeling a charge isn't justified, doesn't appear to neatly fit into any of the usual reasons Monzo is able to raise a dispute for.

So, I don't think it was unreasonable for it to try to hone down on Mr A's dispute before deciding how to proceed.

Monzo attempted a chargeback through the Mastercard chargeback process, but this was defended by B informing it that Mr A was notified of the charge correctly which is in line with its contractual terms. It's important to note, when determining whether B is obligated to offer Mr A a refund, it is B's terms that Mr A agreed to that are relevant – not the airlines terms. The contract that gives rise to Mr A's dispute through the chargeback scheme is his contract with B - the company he paid with his card, not the airline. Once Monzo received B's defence showing that contractually it had acted in line with its terms, I don't think Monzo acted unfairly by coming to the conclusion that his dispute had no reasonable prospect of success under the chargeback scheme.

I appreciate why Mr A was so disappointed with the outcome of his claim but based on what I've seen, I don't think Monzo has acted unreasonably or incorrectly. And I don't think Mr A has lost out because of anything Monzo did/did not do.

Section 75

I would add that I understand how disappointed Mr A must feel knowing that had he booked with the airline directly, the amendment/cancellation fee would have been significantly smaller than the amount notified by B. But it may be helpful to explain that I need to consider whether Monzo – as a provider of financial services – should offer a remedy in response to his claim under section 75. But it's important to note Monzo isn't the supplier. Section 75 is a statutory protection that enables Mr A to make a 'like claim' against Monzo for breach of contract or misrepresentation by a supplier when goods or services were bought using a credit card.

But it's important to note that Monzo isn't B and isn't responsible for everything that might've gone wrong with B. Monzo is only liable to offer a remedy if Mr A can establish with evidence that there has been a breach of contract or misrepresentation – not for poor customer service or not meeting a customer's expectations.

There are certain conditions that need to be met for section 75 to apply. From what I've seen, I think those conditions have been met. Monzo initially didn't think Mr A's claim met the conditions needed to make a claim, so it didn't consider a section 75 claim. But our investigator explained why they felt section 75 did apply and Monzo hasn't disputed this since our investigator issued their view to the complaint.

Breach of contract

In order to uphold Mr A's section 75 claim on the basis that there has been a breach of contract, Mr A would need to evidence that B breached a term of the contract – and that caused him to suffer loss. He would have to show that either, there was a breach of an express term of the contract (such as a specific written term that had been breached) or whether there has been a breach of an implied term or that a term is otherwise inherently unfair. The Consumer Rights Act 2015 (CRA) implies terms into the contract that services must be delivered exercising reasonable care and skill.

I've looked at the terms and conditions that underpinned Mr A's contract, and I don't think it's clear that there has been a breach of contract, and I'll explain why. B is a booking agent and doesn't actually provide the services that it sells to its customers.

According to the terms that Mr A agreed to, it specifies that to change a flight Mr A will have to pay the airline charge of approximately £22. But it goes on to say:

“You will have to pay any further costs if there is an upgrade or tax adjustment and our own administration fee may apply...”

It's important to note, that Mr A agreed to these terms when he booked his flights through B so both are bound to them. And in order to make a successful claim for breach of contract, as Mr A is making the claim, the onus is on Mr A to show that B had breached the contract – for which Monzo (due to section 75 of the CCA) is now liable to remedy or that the term is otherwise inherently unfair.

As explained by our investigator, I don't think there's sufficient evidence of a breach of contract here that would enable me to direct Monzo to offer Mr A a remedy.

I want to re-assure Mr A that I have looked at all the evidence that he has submitted including the screenshots of the live chat and the evidence from the airline terms. But this doesn't change, that at the heart of the matter is that the onus is on Mr A to show that there has been a breach of contract, and I don't think this evidence shows this.

Misrepresentation.

In order to uphold Mr A's claim under misrepresentation, he would have to show that B made an untrue statement of fact or law which he relied on, and this induced him into the contract. So, in order for me to be able to uphold his complaint based on misrepresentation and direct Monzo to offer a remedy, he would need to establish that, prior to Mr A purchasing the flights in June 2025, B made a misleading statement that induced him into the contract.

The difficulty with the evidence that Mr A has submitted is that all the information and evidence he discovered was after the sale had already been completed and came to light when he tried to change the flights after purchasing them. So, there's no evidence he was induced into the contract by the statements made by the live chat agents after the sale. So, this doesn't amount to a misrepresentation.

After he'd already purchased the flights, it does look like the live chat agents for B have told Mr A that the fee to change each flight is just over £160 per person and alluded to the fact that this cost is directly attributable to the airline instead of its own fees in line with its terms. I understand why this matter has caused him so much frustration when he can see that the airlines charges appear to only be £22 per person.

But this doesn't amount to a misrepresentation as it didn't induce him into the contract. While I have some concerns over the comments made by B's agent via live chat and this clearly has caused some confusion over how B calculates its charges, I am unable to look into a complaint about B directly. And Monzo isn't obligated to offer Mr A a remedy for poor service on the part of B under a section 75 claim.

It's important to bear in mind that Monzo didn't sell Mr A the flights or insist on the charge. Section 75 offers consumers limited protection and makes financial businesses, like Monzo, liable to offer consumers remedies when there's been an established breach of contract or a misrepresentation that caused loss. It isn't obligated to remedy everything that B does that Mr A might be unhappy with. While there may be concerns over the service offered by B, as explained above, I'm unable to assist Mr A with those concerns as I cannot look at a complaint directly about B. So, he would have to pursue that matter with B directly and outside of this service.

I appreciate Mr A's dissatisfaction, but under a section 75 claim, the onus is on Mr A to provide evidence that B has breached the contract or has misrepresented matters to him and Monzo is therefore liable to remedy it. Based on what I've seen, I don't think there are grounds for me to uphold this aspect of his claim and order Monzo to offer him a remedy. And I don't think Monzo acted incorrectly when processing his claim under the chargeback scheme. So, I find no grounds to uphold this complaint.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 18 February 2026.

Asma Begum
Ombudsman