

## **The complaint**

Mr G complains Monzo Bank Ltd (“Monzo”) refuses to refund him for a transaction on his account he says he didn’t authorise.

## **What happened**

The facts of this complaint are well known to both parties, so I see no need to repeat them in detail here.

In short, Mr G says he noticed an unauthorised transaction on his account which he says he couldn’t have authorised as he was asleep at the time. Mr G says he doesn’t know how someone else has completed this payment without his knowledge and consent, but Monzo has not proved that it was authorised by him so it should refund it.

Monzo reviewed Mr G’s complaint but didn’t agree the transaction was unauthorised. It said that the transaction was completed via open banking, which would’ve required Mr G’s account credentials or biometrics to do so. And it also said the payment was made using Mr G’s registered device. As Mr G said that no one else has had access to his device, and no one else has access to his Monzo login credentials, Monzo says the transaction must have been authorised by Mr G. However, it recognised that it had not investigated Mr G’s complaint within the timeframe given, so it offered him £25 as an apology for this.

Our investigator also considered this complaint and decided that it is more likely than not the transaction was authorised. Mr G 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 G’s account. Those rules are set out in the Payment Service Regulations 2017. Mr G has said he didn’t carry out the transaction in dispute, but Monzo thinks he did. So, I have to give my view on whether I think Mr G did authorise the transaction or not.

Having considered the evidence, testimonies, and relevant legislation (The PSR’s) I am not upholding this complaint. I have been unable to identify a compromise of Mr G’s Monzo account or his mobile device and on balance, it is more likely than not that the disputed transaction was authorised. I’ll explain why.

Monzo has provided evidence that the transaction was completed using open banking and was paid to financial service provider. However, in order to do this, the open banking link would need to be set up using either the login credentials or biometrics set up on Mr G’s Monzo account. The evidence from Monzo shows this was set-up just before the payment was made using the registered biometrics on his account. Following this, a payment of £100

was made through open banking, and the evidence supplied shows this was done on the only device registered on his account at the time, which I understand is Mr G's device.

Mr G says no one else has had access to his device or his Monzo app. He says he hasn't downloaded any new apps or programmes on his phone – so I don't have any evidence that there was remote access on his device. He also says he hasn't clicked on any suspicious links or filled in any of his account information to a new source. So, there is no evidence suggesting this could've been completed by a third party.

Mr G says he was asleep at the time the transaction was made and he is not satisfied that Monzo's evidence proves that he was the one who authenticated and authorised this payment. But I've seen that this was completed on his device, and he cannot explain how someone else could've set up this payment authority via his Monzo app and using his biometrics.

There is nothing else here which is indicative of fraud, for example, the account being completely emptied, multiple transactions in quick succession, or a new device accessing the account – so I can't agree that this transaction is likely to be unauthorised. I think it is more likely that he was responsible for the payment and is therefore held liable for this amount.

I've seen that Monzo has offered Mr G £25 in compensation for failing to provide an outcome to his complaint in the expected timeframe, and for the same reasons outlined by the investigator I think this offer is fair. If Mr G would like to accept this offer, he will need to let Monzo know where this should be paid.

I know this outcome will come as a disappointment for Mr G, but for all the reasons outlined above, I am not upholding this complaint.

### **My final decision**

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 20 March 2026.

Sienna Mahboobani  
**Ombudsman**