

The complaint

Mr R complains that Monzo Bank Ltd declined his disputed transaction claim.

What happened

On 25 July 2025 Mr R raised a dispute with Monzo in relation to a card payment of £53.89 made to a merchant on 13 July 2025. Mr R said he'd been charged for an automatic renewal of his subscription even though he'd asked for it to be cancelled.

Monzo raised a chargeback on 1 August 2025 and issued a temporary credit to Mr R's account. The merchant challenged the disputed claim and provided evidence that Mr R hadn't adhered to its cancellation policy.

Monzo advised Mr R that his chargeback hadn't been successful and re-debited his account.

Mr R was unhappy with the outcome and complained to this service.

Our investigator didn't uphold the complaint. She said that based on the information she'd seen, she didn't think Monzo had acted unfairly by deciding not to take the chargeback claim further.

Mr R didn't agree. He said he'd been charged the annual subscription after he'd received an email advising him that his subscription wouldn't be renewed.

Because Mr R didn't agree I've been asked to review the complaint.

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 know it will disappoint Mr R, but I agree with the investigator's opinion. I'll explain why.

Chargebacks are a voluntary scheme which allow a card issuer – in certain circumstances – to ask for a transaction to be reversed if there's a problem with the goods or services supplied by the merchant. When dealing with chargebacks, banks and providers of credit have to do so within the remit of the rules set by the relevant card scheme.

Chargebacks don't give a consumer legal rights. Nor is there any guarantee that a chargeback will result in a refund. Merchants can dispute chargeback claims. It's up to the card issuers to look at the information provided and decide whether it can make a successful claim for the consumer. Card issuers don't have to submit claims and will only do so if they have evidence that will support a successful claim for the consumer. This service expects card issuers to help if they can, but we don't expect them to raise a chargeback if there is little prospect of success.

I've looked at Mr R's request to raise a chargeback to decide whether Monzo acted fairly and reasonably.

Mr R has said that he cancelled his subscription on 7 June 2025. He says the merchant confirmed the cancellation but then charged him the annual renewal fee of £53.89. Mr R says the merchant didn't advise him that renewals were automatic. He also says the merchant didn't provide a cancellation option on its app or website.

The merchant provided evidence which showed that the website stated that customers were billed on a 12-month basis. The merchant also provided its terms and conditions which stated that the price for the first year's subscription was discounted but the renewal payment would be the full, non-discounted price. The merchant's terms and conditions stated that cancellations must be requested at least one month before the auto renewal date. Mr R agreed to these terms and conditions when he took out the subscription.

I've reviewed all the available information. Based on what I've seen, I don't think Mr R complied with the merchant's returns policy because he didn't contact the merchant to cancel his subscription at least one month before the auto renewal date. I appreciate that Mr R received an email from the merchant confirming his request to cancel his auto renewal had been actioned, but looking at the timeline here, I think that email related to the following year, not the auto renewal in 2025.

Based on what I've seen, I don't think Mr R's request to cancel the 2025 auto renewal was effective because it wasn't made at least one month before the auto renewal date. It follows that the auto renewal fee was correctly charged by the merchant in line with the terms and conditions.

Taking everything into account, I don't think Monzo acted unfairly or unreasonably when it decided not to take the chargeback further. Based on the information provided I think it was reasonable for Monzo to conclude that the chargeback didn't have a prospect of success.

My final decision

For the reasons I've explained above, I'm unable to uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 22 December 2025.

Emma Davy
Ombudsman