

The complaint

Miss K has complained that Monzo Bank Ltd (“Monzo”) didn’t carry out a chargeback on a transaction that she made with her debit card, whereby she didn’t receive what she’d paid for.

What happened

In March 2024, Miss K made a payment with her Monzo debit card to an overseas company. Unfortunately, the items she ordered never arrived.

In February 2025, Miss K made a chargeback claim on her Monzo debit card, but Monzo didn’t carry out a chargeback due to the time limits involved. Unhappy with this, Miss K complained to Monzo, but Monzo didn’t uphold her complaint.

After Miss K referred her complaint to this service, one of our investigators assessed the complaint, but they didn’t uphold her complaint either.

As Miss K didn’t accept the investigator’s assessment, the matter was referred for an ombudsman’s 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.

Having considered everything, I agree with the outcome reached by the investigator for broadly the same reasons they gave. I will explain why.

When a person uses a debit card to make payments to a company, their card issuer can use the dispute resolution system operated by the card scheme (Mastercard in this case) to try to claim back the payments in the event of certain types of dispute occurring. The rules for the dispute resolution system are set by the card scheme. They include stipulations as to how long a card issuer has to raise a dispute; the types of scenarios for which a dispute can be raised; and the kind of evidence required to support one.

Chargebacks are not guaranteed to succeed in claiming a refund of payments made on a card. The recipient of the funds (in this case the overseas company) can choose to challenge or defend a chargeback claim if they don’t think they are valid. If no agreement can be reached between the card issuer and the recipient, then Mastercard can be asked to rule on the dispute in a process called arbitration. All of this means that the card issuer (Monzo) is responsible for raising claims, when it is appropriate to do so, but more importantly - the card scheme (Mastercard) is responsible for deciding the outcome of chargeback claims.

I think it may also help to explain that there is no general right for consumers to demand that their card issuer attempts chargebacks. But, when faced with a consumer disputing a payment or payments made using their card, I would expect a card issuer to attempt a chargeback as a matter of good practice. But a card issuer (Monzo in this case) can only reasonably be expected to do so providing such a claim would be compliant with the card scheme rules and there is a reasonable prospect of a claim succeeding.

When considering if Miss K's chargeback claim would be compliant with the card scheme rules, as Miss K is now aware, there is a 120-day time limit for such a claim to be raised from when the transaction took place.

The payment that Miss K has wanted to make a chargeback claim for occurred in March 2024. And Miss K raised the chargeback claim in February 2025. So, it's clear that Miss K made her chargeback claim much more than 120 days after the transaction in question took place. Because of this, I think that Monzo's decision not to pursue a chargeback for the transaction in question was fair and reasonable and in keeping with the card scheme's rules.

In support of her complaint, Miss K has explained that the overseas company was in contact with her and told her to wait. So, I can understand why Miss K may've delayed making a chargeback claim. But Mastercard set these rules, not Monzo. So, although Miss K has said that her circumstances should be treated as an exception, there is no way for Monzo to amend or circumvent the rules. Had Monzo submitted a chargeback claim due to Miss K asking that it do so, I'm satisfied that there was little prospect of it succeeding.

So overall, I'm sorry to hear that Miss K has lost money to an overseas company. And it's clear that Miss K has incurred a loss due to her items not being shipped to her. But, given all of the circumstances of this complaint, I don't think that Monzo acted unfairly or unreasonably in refusing to process the chargeback claim for Miss K.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss K to accept or reject my decision before 4 March 2026.

Thomas White
Ombudsman