

The complaint

Mr F complains Monzo Bank Ltd didn't do enough to help get a refund for a transaction he made using his debit card.

What happened

In February 2025, Mr F was locked out of his property, so called a locksmith from a company I'll refer to as T. Mr F says after verbally agreeing a price of £200 for the work, he was charged a total of £720, which he paid using his Monzo debit card.

Mr F says he paid T as the locksmith was intimidating and he wanted him to leave his property, so felt he had no choice. As a result, he contacted Monzo asking it to stop the transaction.

Monzo reviewed matters but explained it had been unable to stop the transaction by the time he contacted it and also couldn't treat the payment as fraudulent. Instead, it looked to see whether it could help get Mr F's money back via a chargeback. Which is a means of asking the merchant (T) for a refund via the card scheme provider, Mastercard in this case. However Monzo later said, as the invoice Mr F received from T, was for the same amount he was charged, it was unable to pursue a chargeback in this instance.

As Monzo didn't change its outcome after Mr F complained, he referred the matter to this Service. Mr F said he'd been charged too much for a lock and T should have picked the lock rather than drilling it.

An Investigator here reviewed matters and concluded Monzo had handled Mr F's chargeback claim fairly. They said Monzo was reasonable in concluding Mr F didn't have the necessary evidence for it to pursue a chargeback, therefore declining to take his claim further. They also explained Mr F had authorised the payment.

Mr F didn't accept our Investigator's opinion. In summary he said, he'd not agreed to pay £720 and only did so to ensure the locksmith left his property – as such he says the payment wasn't authorised. To support this, he says he retrospectively asked other companies the price they'd have charged and found it was much lower. Mr F also said his chargeback should have been successful, as he considered the locksmith shouldn't have drilled the lock.

As no agreement was reached, 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.

At the outset I want to acknowledge the amount Mr F paid for a locksmith service does appear to be high. And I accept what Mr F has said – that he didn't agree to pay the amount he's been charged, and he felt pressured into making the payment. But unfortunately, that alone isn't enough for me to say Monzo should take responsibility for refunding the loss he's

incurred.

When a consumer raises concerns about a transaction with their bank, I'd expect it to look to see whether it has any responsibility for refunding the amount in dispute. In some instances, this may be because the customer didn't authorise the amount, or that payment was unusual. It may also be it can ask for a refund through the chargeback process operated by the card scheme.

In this decision I've thought about whether Monzo has treated Mr F fairly in declining his claim for a refund – thinking about the potential avenues of redress, for Mr F, in turn below.

Was the transaction authorised?

As our Investigator explained, Mr F authorised this payment using chip and pin, which in part meant Monzo was unable to do more in helping Mr F recoup the amount he'd paid by considering the matter a fraudulent transaction.

In more detail, the Payment Services Regulations 2017 and the terms of Mr F's account say he is generally responsible for transactions he authorises.

On this point, I understand Mr F has said he was initially quoted £200 and when he was presented with the final, much larger amount, he felt he had no choice but to make payment to ensure the locksmith left.

As such, there's no dispute the transaction was authorised by Mr F. The fact he had been quoted another, much lower, amount does not invalidate that authorisation. So as a starting point, Monzo was reasonable to hold Mr F responsible for the payment.

The transaction

For completeness I've also thought about whether Monzo should have intervened in the transaction when the payment was made – but while the transaction was higher than the types of transactions that were typically made by Mr F, that alone isn't enough to alert Monzo there was a problem. He had previously made one off relatively large purchases, using his card. Mr F had also intended to pay T, just not for the amount he did. Overall, I don't think the transaction was unusual or suspicious enough that Monzo should have intervened at the time it was made.

Chargeback

I think it would be helpful to explain, in this decision I'm only able to consider how Monzo handled the chargeback dispute Mr F raised with it. I'm not able to consider the actions of T, as this isn't within the jurisdiction of this Service for these types of complaints.

Chargeback allows for a request of a refund to be made of money paid with a plastic card in certain scenarios, such as when the incorrect amount has been charged. I'm looking here at the actions of Monzo and whether it acted fairly and reasonably in the way it handled Mr F's request for help in getting his money back. This will take into account the circumstances of the dispute and how T has acted, but there are other considerations, such as the card scheme rules, which Monzo must follow and its own obligations.

Chargebacks are not guaranteed to succeed, the recipient of the funds (T in this case) can choose to challenge or defend a chargeback if it doesn't think it is valid. A consumer also cannot require their card issuer to attempt a chargeback, as it isn't a right.

Here, Monzo didn't attempt a chargeback, as it says it wasn't provided with the necessary information in which to do so. Specifically, it said it hadn't been provided with evidence Mr F was charged more than he'd agreed to.

As Monzo didn't pursue a chargeback, I've thought about what would have most likely happened, had it done so. If the card issuer decides to pursue a chargeback, it must do so under one of the reason codes, set out in the rules. Here Mr F says he has been charged an incorrect amount as T initially said he would be charged £200, but ultimately, he was charged £720.

Firstly, Mastercard's rules say:

"This chargeback is not available for verbal price agreements"

It goes on to say the supporting documents necessary to raise a chargeback for this, must include:

"Documentation detailing the correct transaction amount."

Here, Monzo asked Mr F for this evidence, but he reiterated the price was quoted verbally. He went on to provide evidence from other locksmiths, to say the price would have been significantly less than he paid. However, Mr F didn't use those companies, he used T – so it's only evidence between himself and T that Monzo could use to pursue a chargeback.

I don't dispute what Mr F has said here - but ultimately the criteria for a chargeback is set by the card scheme, meaning there are only limited forms of evidence for a chargeback to be considered valid. And here, that evidence wasn't something Mr F was able to provide.

As explained above, the card scheme requires documentation detailing what the correct transaction amount should have been, in a specified format such as a receipt or invoice from the merchant confirming the correct amount. The card scheme would not accept evidence of taking a common-sense approach on what a fair price should have been. I recognise Mr F is being asked for something that is difficult, if not impossible, for him to provide. But because he doesn't have the supporting documentation required by the card scheme rules, there was no realistic prospect of success had Monzo tried to pursue a chargeback.

I can appreciate it's difficult for Mr F to accept he's going to be left out of pocket when he's not done anything wrong, and I accept his perspective that he's been the victim of sharp practice tantamount to a scam from the merchant. But there are limitations on what Monzo can do when it comes to looking to refund a card transaction. So based on this it seems reasonable Monzo didn't consider it was able to pursue a chargeback, as had it done so, there was no realistic prospect of success, so Mr F hasn't lost out as a result of Monzo's actions.

Chargebacks are prescriptive in the way they work – there aren't the same flexibilities as other types of card protection. Ultimately, the criteria for the chargeback is set by the card scheme and not by Monzo and here the Mastercard dispute rules require Mr F to provide evidence from T, of what the correct amount for the work should have been, and without it, I don't think Monzo has acted unfairly in not pursuing matters further.

Monzo also explained as Mr F authorised the payment using chip and pin, there wasn't anything further, under Mastercard's rules, it could do.

I'm aware Mr F has also said his chargeback should have been successful under the reason code *"services not as described"*. I've taken this to mean Mastercard's reason code: *"Goods*

or Services were either not as described or defective". But as our Investigator explained, this code also required supporting evidence from Mr F that the service he received from T was not as described. However, aside from gaining entry to his property – which T provided, I've seen nothing setting out the service Mr F expected to receive and ultimately didn't. As such, had Monzo pursued a chargeback under this reason code, I don't think there would have been a realistic prospect of success either. The fact Mr F considers T shouldn't have drilled the door, isn't on its own, enough to say the service was not as described. So, I also can't say Mr F has lost out as a result of it not doing so.

I've also taken on board what Mr F has said about the cost of the lock being inflated, but being charged a larger amount for an item than Mr F considers reasonable, also isn't a reason for a chargeback to be successful.

In closing, while I understand this isn't the answer Mr F was looking for, I do want to say that I have every sympathy for him as the circumstances of this case mean he was afforded little protection, which I understand would be particularly upsetting. But taking everything together I don't think Monzo has acted unfairly in not refunding this payment. That's because the relevant law, rules and codes of practice do not place the responsibility on Monzo to refund the payment. And as the necessary evidence required by the card scheme rules wasn't available, I think Monzo acted reasonably in not raising a chargeback, because there was no realistic prospect of success. As such Mr F hasn't lost out as a result of it not doing so and I won't be asking Monzo to do anything here.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 13 February 2026.

Victoria Cheyne
Ombudsman