

The complaint

Mrs K is unhappy with how Monzo Bank Ltd handled her request to recover money she paid for items using her debit card.

What happened

In March 2025, Mrs K bought a bunk bed from a merchant, that I'll call B, via their store on an online marketplace. The bunk bed cost around £200 and Mrs K paid for it using her Monzo debit card.

Mrs K says the bunk bed wasn't delivered and she wasn't able to get a refund from B. In April, she contacted her bank, Monzo, asking it to refund her under the chargeback scheme.

Monzo raised a chargeback for the goods through the card scheme, Mastercard. B defended the claim and provided supporting evidence: a photo of the three parcels standing on Mrs K's driveway against her closed front door, GPS tracking the parcel to the address provided and the delivery logs from the courier. Monzo says it reached out to Mrs K in May through its automated system. It didn't hear back from Mrs K, so it accepted B's defence.

Mrs K says she didn't receive the automated messages and had to chase Monzo in June for an update on her claim. Monzo told her it would close the claim, so she made a complaint. In response, Monzo said it had considered the chargeback fairly, but B's evidence meant it wasn't possible to take the matter further.

Our Investigator upheld the complaint for the following reasons:

- The online marketplace had provided a link to the item page, which included a further link to B's own website. On this website, our Investigator referred to the delivery terms, which said customers would be charged a fee if delivery failed or was not completed.
- He said this meant Mrs K ought to have been contacted for redelivery and charged the fee, rather than the items being left outside her property – and Monzo ought to have explored these terms.
- He also said Monzo hadn't given Mrs K good service as it hadn't responded to her request for updates or called her back as promised.

He recommended Monzo refund the transaction, plus compensatory interest, and pay Mrs K £50 to reflect the poor service she received.

Monzo didn't accept the Investigator's finding. It said Mrs K needed to provide more before it could take the chargeback further, due to the strength of B's evidence. It had reached out for this but did not get a response. Also, it said the terms the Investigator relied on were not from the online marketplace's terms and conditions. It requested an Ombudsman review the case for a final decision.

The case was passed to me and I issued a provisional decision which said:

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The chargeback claim

A chargeback is a process under the relevant card scheme, in this case Mastercard, set up to settle disputes between card holders and merchants. These schemes are voluntary, and the rules about when a chargeback is allowed as well as the requirements of both parties involved are set by the card scheme itself.

It's important to clarify that it's not for me to decide any dispute between Mrs K and B. I can only look at whether Monzo has acted fairly and reasonably in the circumstances of the complaint. I've considered Mastercard's chargeback rules for the relevant code, including the expectations for both the merchant and customer.

Monzo doesn't have to raise a chargeback on Mrs K's behalf – but in this case, it was satisfied there was enough to initially raise a chargeback for the transaction, under the code "goods not provided". I think this was reasonable based on what Mrs K told Monzo at the time.

B defended the chargeback with the evidence I've set out above. It also provided the listing for the bunk bed on the online marketplace, which includes a tab for delivery terms and conditions. These say: "Deliveries are made between Mondays and Friday 7am-6pm by our contracted couriers. We will provide tracking number for your parcel so you can track the progress online."

I've reviewed the full item listing as well as the terms available for B's marketplace store – but I've not found express terms to state B is responsible for doing more than just deliver the goods and provide tracking details. For example, the terms don't say B would get a signature to confirm delivery.

While I think it's reasonable for a bank to review the claim and evidence from the merchant, I can't fairly say it needed to look at the terms on another website for B. I say this because Mrs K bought the bed from B's store on the online marketplace, not from its own website. The purchase and subsequent chargeback would therefore be subject to the terms of the item listing and marketplace store.

Instead, I think Monzo needed to consider the chargeback rules for Mastercard when reviewing the response from the merchant. The card scheme's rules provide examples of the types of evidence a merchant can submit to defend a claim under the code "goods not provided" – this includes "pictures that the goods were delivered to the address specified by the cardholder". These examples were published a month after the dispute took place, but I think they reasonably show the type of evidence Mastercard would have expected to see in practice at the time of the chargeback.

If such evidence is provided, Mastercard continues to say any pre-arbitration claims "must specifically address that documentation". I wouldn't expect Monzo to act as an advocate for Mrs K during the chargeback, so I think it was reasonable for Monzo to ask Mrs K to provide information addressing the delivery evidence from B. It says it did this via its automated system in May, asking her to address this evidence.

Ideally, I would have seen full copies of all the messages sent to Mrs K. It's not clear whether Mrs K received this message or not, but in any event, no new information was provided when Mrs K was in touch with Monzo over the following few weeks or since the chargeback was closed. As there was no new information to address B's evidence, and I think little prospect of success without it, I think Monzo acted reasonably when it didn't take

the chargeback further. If either party thinks it can provide further evidence of these messages in response to this provisional decision, I'll review this before making my final decision on the case.

I'm sympathetic to Mrs K's situation – she says she wasn't at home on the day of delivery and couldn't get a response from B. It's possible something did go wrong with the delivery, but a chargeback would only provide her with a refund under specific circumstances as explained above.

Customer service

I've also considered whether Monzo treated Mrs K unfairly in any other way.

Monzo provided our service with evidence to show it sent a message and reminder to Mrs K asking for her response to the merchant's defence evidence, before it then told her it wouldn't take the chargeback further.

Mrs K messaged Monzo by webchat the following month to ask for an update on her claim. The agent responded quickly, explaining the claim had closed following a dispute from the merchant, which led to Mrs K complaining about the outcome and customer service. I'm sorry to hear Mrs K did not receive the messages from Monzo. I don't have a copy of the actual message sent. But based on the details Monzo has provided, on balance I think it was sent.

I understand Mrs K also says Monzo didn't call her back when promised – but I've been unable to see where this happened. When Mrs K spoke to Monzo on webchat it came back to her swiftly each time. While I've noted she asked for a call after making the complaint, Monzo explained its process to her quickly on the chat and told her it would take up to three days to arrange a callback. It asked Mrs K to confirm she wanted to go ahead with the call request, but she didn't respond. Monzo then continued to issue a final response on the complaint within a short time.

Overall, I'm satisfied Monzo responded to Mrs K in a reasonable way, even though it didn't call her. So, I think the way it treated her was broadly fair.

I understand Mrs K will likely be very disappointed with the outcome I intend to reach. As the purchase was made by debit card, I'm limited to looking at how Monzo considered her claim under the chargeback rules from Mastercard. I'd like to remind her that if she doesn't wish to accept a final decision from our service, this wouldn't prevent her from pursuing other ways of resolving the matter with the merchant.

Monzo didn't have anything to add following my provisional decision. Mrs K also had no further submissions but asked to take the matter further to 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.

I sympathise with Mrs K's situation, as she says she's left without goods she's paid for. However, as neither party has submitted any new information or comments, I'm not minded to change my decision.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs K to accept or reject my decision before 15 January 2026.

Hannah Dunkley
Ombudsman