

## **The complaint**

Mr H complains that Monzo Bank Ltd failed to tell him that if he received a double refund on ten transactions that he had disputed with a merchant then this could lead to Monzo re-debiting the payments from his account. As a result, of Monzo re-debiting his account, he went into his overdraft which caused embarrassment, disruption, his credit file and interest charges.

The details of this complaint are well known to both parties. So, if there's a submission I've not addressed; it isn't because I've ignored the point. It's simply because my findings focus on what I consider to be the central issues in this complaint – that being whether Monzo was responsible for Mr H's loss.

## **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 reviewed the full file, I agree with our Investigator's findings for the following reasons;

- Ten transactions were disputed by Mr H and Monzo initially refunded all ten transactions. It then reversed one payment on 23 March 2025 because the merchant had already refunded that.
- I can see that on 23 March 2025 Monzo reasonably and clearly told Mr H that it would partially refund the amount taken from his account and told him that one of the transactions had already been refunded. This persuades me it was Monzo's intention to only provide a refund for the transactions that hadn't yet been refunded by the merchant.
- On 2 April 2025 Monzo sent what I consider to be a clear message to Mr H which said he had received two refunds for his claim – one from Monzo and one from the merchant and that Monzo clearly explained it would need to take back the refund it had provided within 14 days. The same message was then sent for each of the nine transactions Monzo had previously refunded and had then been refunded by the merchant. Mr H's account was then re-debited on 16 April 2025.
- Within Monzo's message it explained to Mr H that he needed to have enough money in his account in 14 days' time otherwise he might end up overdrawn and that he should check the app for any further details about becoming overdrawn and any relevant information in relation to overdraft fees. It added that if he was worried about the above then he should let Monzo know.
- Mr H accepts that he received the above message/s.
- I don't agree with Mr H that Monzo not providing clearer information at the time he made the claim for a refund about the possibility of a double refund and what might happen in those circumstances means that it caused him foreseeable harm. The fact he received a clear message from Monzo about what would happen in 14 days was a clear message about what would happen and how Mr H could contact it if he would

have an issue with the money being taken from his account.

- Mr H spent the money he had received, not through any ill intent. But I don't think Monzo has made an error here or treated Mr H unreasonably so I can't say it did anything wrong by removing the refund from his account.
- This was not the first time Mr H had raised disputed transaction on his account where Monzo had decided not to take any further action due to the merchant providing a refund. This persuades me this wasn't the first time refunds from merchants had been made to his account and that he was unaware of the process involved here.

Overall, I'm not satisfied Monzo treated Mr H unreasonably here. So, I'm not going to ask it do anything further here.

### **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 Mr H to accept or reject my decision before 13 March 2026.

Mark Dobson  
**Ombudsman**