

The complaint

Mr K complained about the way Monzo Bank Ltd dealt with a dispute he raised for money back for a purchase he made using his debit card.

What happened

In February 2025, Mr K paid for a 90 day online fitness course for around £300 from a coach I'll call S. He paid one transaction of £100 and another for £200. Around November 2025 Mr K contacted Monzo to raise a dispute because he was unhappy with the course and promises made. He referred to the terms which said that if he was unhappy with the results within 90 days he could get a refund, but he said S didn't refund him.

Monzo informed Mr K that it couldn't raise a chargeback as it was too late. Mr K complained to Monzo, but it didn't change its position. Mr K referred his complaint to the Financial Ombudsman and explained that the chargeback rules allowed disputes to be raised within 540 days of the transaction date. Our investigator considered the complaint but didn't uphold it. He didn't think the dispute Mr K raised, met the time limits set out in the chargeback rules.

Mr K didn't agree so it's 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.

I want to acknowledge I've summarised the events of the complaint. I don't intend any discourtesy by this – it just reflects the informal nature of our service. I'm required to decide matters quickly and with minimum formality. But I want to assure Mr K and Monzo that I've reviewed everything on file. And if I don't comment on something, it's not because I haven't considered it. It's because I've concentrated on what I think are the key issues. Our powers allow me to do this.

Mr K authorised and made his payments to S for the fitness course using his debit card with Monzo, so the only recourse for Monzo to try and help get any money back was through the chargeback process.

Chargeback is based on the relevant card scheme rules, where a card issuer can ask for a refund on behalf of the cardholder. In this case it's the Mastercard scheme. A chargeback is not guaranteed to succeed, and a card issuer does not have to raise one.

However, it would be considered good practice to raise a chargeback where there is a reasonable prospect of success. This is on the basis that the chargeback claim meets the scheme's criteria. Although not all circumstances where something has gone wrong with the merchant will mean the claim is successful. Monzo didn't raise a chargeback, its notes show it thought Mr K's claim was raised out of the time limits allowed. I've considered whether Monzo acted unfairly by not raising a chargeback.

The most relevant condition in this case would be “Goods or Services Were Either Not as Described or Defective”. There are strict timeframes set by the scheme which need to be adhered to for a chargeback to be successful. For transactions where the services are not as described or the merchant doesn’t honour the terms and conditions of the contract, the dispute must be processed within 120 calendar days from when the services ceased with a maximum of 540 calendar days from the date of the transaction for issues of interruption of ongoing services, or between 15 and 120 calendar days from the date of the transaction or the delivery/cancellation date of the goods or services.

When Mr K raised the dispute he told Monzo that he contacted S on 19 May 2025 about the problem. So, he had 120 days from this date to raise a dispute. However, as Mr K contacted Monzo more than 120 days from when he said he received the services and raised concerns about the provision of the services with S, I don’t think it acted unfairly by not raising a chargeback, even if this was within 540 days from the transaction date. I think Monzo’s interpretation of the time limits was broadly correct. I say this as the rules don’t set out Mr K has 540 days from a problem occurring to raise a dispute. Rather that he has 120 days to raise a dispute, capped at a maximum of 540 days from the transaction date. I’m think even if the claim had been brought in time, I’m not persuaded Mr K provided sufficient evidence of the contact with S and its refusal to adjust the price or issue a refund, which would have likely led to a successful claim against the card scheme rules.

I’ve also considered if Monzo was able to raise a chargeback under other rules such as “Refund not processed” but I don’t think the dispute met the time limits for these rules either.

I think Monzo dealt with the dispute within a reasonable time and kept Mr K informed so I think it handled the dispute fairly. I won’t therefore be asking it to take any further action.

My final decision

My final decision is that I don’t uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr K to accept or reject my decision before 21 April 2026.

Amina Rashid
Ombudsman