

The complaint

Mr P is unhappy that Monzo Bank Ltd didn't raise a dispute through the chargeback scheme on his behalf.

What happened

Mr P purchased a drone online on 19 December 2019 using his e-money provider account (who I shall refer to as 'X') which was funded by his Monzo Bank branded credit card, which was administered by a major credit card provider (who I shall refer to as 'Z'). Mr P is of the opinion that the drone he subsequently received was not the same model or standard as the drone that was advertised.

Mr P contacted Monzo on 5 January 2020 and requested a refund. Monzo advised Mr P that, because the purchase had been made using X, the most efficient way for Mr P to obtain a refund would be to seek one through X. Mr P followed Monzo's advice and contacted X. However, the refund process with X did not complete because X required Mr P to return the drone received to the seller, and Mr P was unwilling to pay the postage to do this.

Mr P contacted Monzo again on 27 February 2020. Monzo looked into the matter and there was a further online conversation on 28 February 2020 where Monzo asked Mr P to provide photographs which would confirm that the item he received was different to the one which was advertised.

Mr P did not supply any photographs. He next contacted Monzo about this issue on 25 May 2020. Unfortunately, by this time, the 120-day credit card chargeback scheme deadline had passed. Monzo informed Mr P that because the 120-day deadline has passed they would not be able to raise a chargeback dispute for this matter with Z on Mr P's behalf. Mr P felt that this was unfair raised a complaint with Monzo.

Monzo reviewed that matter and advised Mr P that they had followed the correct procedures and so wouldn't be upholding the complaint. Mr P remained unhappy and so referred the complaint to our service.

One of our investigators looked at this case. She also felt that Monzo had followed the correct procedures and so she also couldn't fairly say that Monzo had done anything wrong. And so she didn't uphold the complaint either. Mr P didn't agree with the investigator's position and so the matter was passed to an Ombudsman for 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.

It's clear that Mr P feel strongly about this matter but, having completed my review, I can only agree with the position that has already been explained in detail by our investigator – that Monzo have followed the correct procedure here in dealing with this dispute - and as such I also can't fairly say that Monzo have done anything wrong in this instance.

There is little that I can add to the detailed rationale already put forward by our investigator, which I consider to be well reasoned, thorough, and evenly balanced. Instead, I will comment on what I consider are some of the key points of this complaint.

Firstly, I am in agreement that it was appropriate for Monzo to initially refer Mr P to X, not only to take advantage of the buyer protection that X provide, but also because it was the most effective way to satisfy the conditions of Z's chargeback rules that the buyer must attempt to contact the merchant and attempt to return the disputed goods.

Additionally, I also note that Mr P, having ended his attempt to recover the money with X, was asked by Monzo to provide photographic evidence that the drone received was not the model which had been advertised.

In cases such as this, where there is an allegation that the goods received do not match the advertised description, it is common and appropriate that such evidence be requested before a chargeback request is begun. This is because there are detailed rules governing the chargeback process, and it is good practice for a bank to satisfy themselves that the dispute in question is eligible for a chargeback to be requested before the process is begun. As such, I'm satisfied that this request for photographic evidence from Monzo was both reasonable and appropriate in these circumstances.

Finally, following the request for photographs, Mr P did not provide any evidence to show that the drone he received was different from the one advertised. Given the reasonableness of this request, it's difficult for me to say that Mr P has been treated unfairly here, and it seems clear that had such evidence been supplied Monzo would have been both willing and able to move forward with the dispute process. It's also clear that, had Mr P responded to this request in reasonable time, the dispute could have been raised by Monzo within the 120-day time period.

To summarise, I don't feel that Monzo have done anything wrong in their handling of this dispute for the reasons already explained by our investigator. Therefore, I will not be upholding this complaint or asking Monzo to take any further action.

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 P to accept or reject my decision before 14 January 2021.

Paul Cooper
Ombudsman