

The complaint

Mr JN complains that Monzo Bank Ltd rejected his chargeback claim.

What happened

In January 2023 Mr JN purchased goods online from a merchant and paid using his Monzo card.

Mr JN received an order confirmation but didn't receive any information about delivery of the goods, so he emailed the merchant. He later received an email saying that his order was on the way and a tracking number. When Mr JN attempted to track the item, he found that the tracking number wasn't valid. He emailed the merchant but didn't receive a response.

Mr JN contacted Monzo and raised a chargeback. Monzo provided a temporary credit to Mr JN's account and began an investigation.

The merchant challenged the chargeback and provided tracking details which showed that the item had been delivered. Monzo notified Mr JN that the merchant had challenged the chargeback and asked whether he had received the goods. Mr JN didn't respond to Monzo so it rejected the chargeback and advised Mr JN that it would be re-debiting the purchase price of the goods.

Mr JN complained to Monzo but it didn't uphold the complaint on the basis that Mr JN hadn't responded when it asked him for further evidence.

Mr JN remained unhappy and complained to this service.

Our investigator didn't uphold the complaint. He said that chargeback was an evidence based process. He said that the merchant had provided evidence that the goods had been delivered and that Mr JN hadn't provided evidence to the contrary when asked to do so by Monzo.

Mr JN didn't agree. He said he hadn't received a request for evidence from Monzo. He said the tracking information wasn't valid and that the merchant had provided fake details.

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.

When dealing with chargebacks, banks and providers of credit need to do so within the remit of the rules set by the relevant card scheme.

Chargebacks are a voluntary scheme. How it works is that the card issuer checks the complaint against the possible chargeback reasons to see what sort of evidence is required. This is so it can decide whether or not it can make a successful claim for the customer. Card issuers don't have to submit claims and they will only do so if they believe that they have evidence which will back up a chargeback claim so it will be successful. This service expects

card issuers to help if they can, but we don't expect them to raise a chargeback if there is little prospect of success.

I've looked at the available information to decide whether Monzo acted fairly and reasonably when it declined the chargeback.

When the merchant challenged the chargeback, it provided tracking information to Monzo which showed that the goods had been delivered to Mr JN's home address on 20 January 2023.

Monzo sent an information request to Mr JN on 10 April 2023 and asked him to confirm whether he had received the goods. Mr JN didn't respond to the information request. Mr JN has told this service that he didn't receive the information request. However, Monzo has provided persuasive evidence that it sent the information request to Mr JN, so I'm satisfied that it was sent. I can't say why Mr JN didn't receive it, but I'm satisfied that it is correctly addressed to him.

Mr JN has told this service that he's provided evidence to show that the merchant was a scammer and that the tracking number was fake. I haven't seen this evidence. There's nothing in the information I've seen to suggest that the tracking information wasn't valid.

Chargeback is an evidence based process. Having considered the evidence provided by both parties here (Mr JN and the merchant), I don't think that Monzo acted unreasonably when it declined the chargeback.

For the reasons I've explained, I'm unable to say that Monzo has made an error, or that it acted unfairly or unreasonably in declining the chargeback. I won't be asking Monzo to do anything further.

My final decision

My final decision is that I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 2 January 2024.

Emma Davy
Ombudsman