

The complaint

Ms E complains that PrePay Technologies Limited (trading as 'Monese') provided inadequate information about top-up fees.

To keep things simpler, I will mainly refer to Monese in my decision.

What happened

When Ms E made two top-ups on her Monese account, she was surprised and unhappy to find out that she was charged a £3.50 fee for each transaction. To put things right, she wanted Monese to refund her the £7.

Monese didn't uphold Ms E's complaint, mainly saying that:

- whilst visibility of information can be subjective and could always be enhanced, it had applied charges in line with the terms and conditions Ms E had signed up to.
- Also, information about cash top-ups was prominently featured on its website.

Ms E wasn't happy with this response and so she brought her complaint to us.

Our investigator upheld Ms E's complaint. He felt that Monese could've made it clearer to Ms E that she'd be charged a fee for topping up her account in the Post Office. To put things right, he recommended that Monese pay back the fees charged to Ms E, with interest.

Monese disagreed with our investigator, mainly (in summary):

- restating its view that pricing and charges information was readily available in its terms and conditions, and saying
- it had taken additional steps to enhance visibility by prominently displaying the fees for all account plans on its website under "Pricing" on the navigation bar
- it wasn't reasonable to expect the Post Office to communicate Monese's fee information when it was a top-up location for numerous financial institutions, and can't be expected to do this for each one
- communications Monese sent to customers state "*You can see all of the changes we're making to our Simple Plan in our updated Terms and Conditions and our Fees and Limits.*" And Ms E could click on hyperlinks in the message that took her direct to the relevant section
- Monese had gone above and beyond by prominently featuring this information on its website.

The complaint has come to me at the request of Monese 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.

Having thought about everything I've seen and been told, I've independently reached the same overall conclusions as our investigator. I'll explain why I say this.

The crux of Ms E's complaint is that Monese didn't make it sufficiently clear in advance that she'd be charged to top up her account at the Post Office. So I've looked at the information Monese made available to customers generally and provided to Ms E in particular. And I've thought carefully about whether Monese did enough here to make clear to Ms E what she needed to know before she incurred the top-up fees.

On Monese's website, under "Pricing" there is information shown about fees for cash and debit card top-ups – although nothing is specifically mentioned about topping up a Monese account at the Post Office.

I've taken into account that Monese also sent customers emails with information about pricing, which included links to a 'Fees and Limits' page. If Ms E had clicked on that link she could have seen there was a section headed 'Top-ups' which included information explaining that there would be a 3.50% or minimum £3 charge for topping up her Monese account at the Post Office. But Ms E would have had to click on the email link to access this information.

Our investigator asked Ms E if she received and read the emails that Monese mentioned it had sent to her on the following dates: 18 October 2023, 9 and 28 November 2023, 5 and 15 December 2023. He asked whether she saw the 'add funds' page and if she followed up the links to find the details of any fees.

Ms E recalled only the email Monese sent her in October 2023, which didn't mention anything about the Post Office. She said there wasn't an 'add funds' page, and as the only link appeared to relate to other charges that didn't apply to her situation, these weren't of interest to her, and she didn't press the link.

Ms E also said that when this email had been sent (some four months earlier), she hadn't been aware that she could top up a bank account through the Post Office. She told us that when she found out about this possibility, she checked the Monese website to see if that was an option she could use for this account. When she did, she saw only that it did offer Post Office top up, but no mention about the charge she would incur.

I'm not sure why Ms E wouldn't have received all the emails Monese sent to customers. But I can understand why Ms E says that the information she relied on didn't alert her to the charges she would incur if she topped up her account at the Post Office.

This is borne out by the fact that Ms E also told us that she could've topped up her Monese account via her bank account free of charge and avoided the fee for topping up at the Post Office. So it seems probable to me that had Monese done enough to make Ms E aware of this charge, it's more likely she would've used the alternative option she had available.

Monese was required to provide clear and not misleading information to Ms E. I don't think that Monese's emails drew attention clearly enough to the fees for topping up at the Post Office. And they didn't make it clear to the customer they'd be charged.

And I think it's fair to say other information on the Monese website on a page headed 'Adding money easily' which does specifically refer to topping up with cash at the Post Office says nothing at all about charges for doing this:

'Top up with cash

We partner with the Post Office and PayPoint so that you can add cash to your Monese account fast. Just head to any Post Office branch and have cash in your account within one working day, or to any high-street convenience store, corner-store or off-license that displays the PayPoint logo to top up instantly!

Looked at overall, I find that Monese didn't do enough to highlight and draw Ms E's attention to important pricing information that she needed to know in order to decide on the best way for her to top-up her Monese account. And had Monese done so, it's likely that Ms E would not have incurred the Post Office (or any) charge.

So Monese acted unfairly and unreasonably when it applied top-up charges that Ms E hadn't been aware she would incur.

Putting things right

My aim is to put Ms E as close to the position she would probably now be in if Monese had taken sufficient reasonable steps to make Ms E aware of important pricing information that she needed to know.

So, Monese should pay back the fees it charged Ms E, plus 8% simple interest calculated from the date each fee was charged up to the date of settlement.

My final decision

My decision is that I uphold Ms E's complaint and Prepay Technologies Ltd should take the steps set out above to put things right.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms E to accept or reject my decision before 20 June 2024.

Susan Webb
Ombudsman