

## The complaint

Mr G complains about how information relating to a refund was presented online by Monzo Bank Ltd.

### What happened

Mr G holds a premium personal account with Monzo. On 3 March 2024, while abroad, he rented a car using a company that I'll refer to as "H" in this decision. He paid a deposit of just over £1008, which H informed him would be refunded on returning the hired vehicle. This deposit was paid from Mr G's Monzo account.

Mr G said he returned the hired vehicle to H on 21 March 2024. He said H informed him it had refunded the deposit at the point he returned the vehicle. But he said, by early May, the refund wasn't showing online when he checked his Monzo account.

On 8 May 2024, Mr G contacted Monzo via its chat service to ask about the whereabouts of his refund from H. It explained that the refund had been received and processed on 25 March 2024. But Mr G disputed this as he hadn't received notification of the refund via his banking app. And he stated that when he checked the real-time auto-spreadsheet, which dynamically updates to show transactions, this didn't show the refund either. Monzo informed Mr G that if he downloaded a statement he'd see that the funds had credited.

On 18 May 2024, Mr G spoke with Monzo again about the whereabouts of his refund from H. Again, he was informed that the refund had credited his account on 25 March 2024. Monzo said the funds received from H had been partially absorbed by Mr G's overdraft leaving a balance, at that time, of just under £300. And it, again, told Mr G that a downloaded statement would show the refund.

On further enquiry, Mr G discovered that the funds had credited his account but the only place where the refund appeared was in a downloaded statement of his account. He was unhappy that the refund hadn't appeared in the app and on the real-time auto-spreadsheet.

Mr G argued that the app was intended to provide real-time updates on account transactions. He didn't think it was reasonable to have to download a statement to check for refunds. As a neurodivergent customer, Mr G said that, in not seeing the refund when he'd checked his app and real-time auto-spreadsheet, this had affected budgeting decisions he'd made and caused him to overspend on his account. So, he complained.

After Monzo investigated Mr G's concerns, it issued its final response to his complaint. Its final response letter was dated 31 May 2024 and explained that Monzo hadn't upheld Mr G's complaint as it didn't think it had made an error. But it paid him £20 as a gesture of goodwill to acknowledge the inconvenience he'd been caused in contacting it to query the whereabouts of his refund from H.

Mr G was dissatisfied with Monzo's response to his complaint. He thought it should improve the way in which transactions were reflected in the app and its notification processes. He

also felt Monzo's response to his complaint had been inadequate and dismissive. So, he referred his complaint to our service.

After our investigator assessed the information Mr G and Monzo had provided they recommended upholding this complaint. They thought Mr G ought to have been able to see the refund without having to download a statement. And they were persuaded Monzo should pay an additional £100 in compensation to acknowledge the distress and inconvenience Mr G had experienced – taking the total amount of compensation awarded to £120.

Monzo agreed with our investigator's view of this complaint and thought the increase in compensation was fair in the circumstances. But Mr G disagreed and asked an ombudsman to decide his complaint.

### **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've read and considered all the information provided by Mr G and Monzo, but I'll concentrate my decision on what I think is relevant to decide the complaint. If I don't comment on any specific point it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it in order to reach what I think is the right outcome.

My role is to assess whether I think Monzo made a mistake, or treated Mr G unfairly, such that it needs to now put things right. And, having thought carefully about everything he and Monzo have said, I'm afraid to say that I've reached the same conclusions as our investigation reached in their view of this complaint. I appreciate Mr G will be disappointed by this outcome. But I hope he can understand the reasons behind my decision.

The evidence I've seen satisfies me that H refunded the deposit Mr G had paid in relation to the vehicle hire. I say this because a sum of just over £1008 is shown as crediting Mr G's account on 25 March 2024. Monzo was correct when it informed Mr G on 18 May 2024 that the refund had been partially absorbed by his overdraft.

The crux of this complaint is about the way in which information about the refund was presented to Mr G by Monzo. He believes the refund should have been visible to him in real-time via the app or dynamic auto-spreadsheet and that downloading a statement shouldn't have been necessary here.

As our investigator stated in their view of this complaint, the regulator for the financial sector, the Financial Conduct Authority (FCA), states that:

*'A firm must provide a banking customer with a true copy of any statement of account provided to him under (1) on paper or in another durable medium within a reasonable period of time following a request to that effect made by or on his behalf.'*

This means that if Mr G can access his accounts online (such as by downloading a statement), Monzo's fulfilled its FCA obligations to provide a true copy of the statement of his account.

I don't think Monzo's made an error in relation to its FCA obligations. But I can appreciate that for Mr G downloading a statement could prove inconvenient. I've mentioned in the background to this complaint that Mr G holds a premium account. He pays a monthly maintaining account fee and the account provides him with various benefits which include an "auto-spreadsheet" which is a real-time update of all transactions on the account.

Monzo provides additional information about the auto-spreadsheet online stating:

*“Auto-spreadsheet adds your transaction information to a Google Sheet called ‘Monzo transactions’ and keeps it updated in real-time. That way you have a record of your account activity that you can zoom into the detail of or zoom out for the bigger picture.”*

As the auto-spreadsheet account feature is intended to enable more informed and proactive account management by the customer, I recognise how important this information would have been to Mr G given his neurodivergent needs. It was reasonable for him to expect the credit from H to appear on the auto-spreadsheet. And I’m also persuaded Mr G may have been reliant on this account feature to inform budgeting decisions.

The refund from H can be seen clearly in the statement that was downloaded by Mr G together with a list of other account transactions. But it isn’t visible on the screenshot that Mr G provided to our service, which shows the account activity recorded on the app. It also doesn’t appear on the auto-spreadsheet that’s been shared with us.

It’s unclear why the auto-spreadsheet and app screenshot shows all transactions that debited Mr G’s account on 25 March 2024 but not the refund H credited his account with that day. Mr G says Monzo now shows refunds in real-time, so it’s unclear why that wasn’t something that was happening at the time of H’s refund.

I understand that Monzo informed our service that *“sometimes transactions like this do not show on their main feed. However, a copy of their own official bank statement”* will show the transaction. It’s clear that Mr G’s unhappy with this explanation – he received a similar one himself before referring his complaint with Monzo to our service. And, impartially, I don’t think Monzo’s explanation is fair or reasonable here. I say this because an account feature that’s included in the monthly account fee is the ability to see real-time transaction updates via the auto-spreadsheet. But that didn’t happen here.

As a vulnerable customer, Mr G told our investigator he was reliant on an account notification to inform him that the refund had credited his account. He contends that not receiving real-time updates about H’s credit to his account caused him to overspend. I’ve carefully considered what Mr G’s said here. But, like our investigator, I’m not persuaded there’s enough evidence to demonstrate that Monzo’s failure to provide Mr G with real-time notifications of H’s refund directly caused him to make poor budgeting decisions. I’ll explain why.

It’s clear from the evidence I’ve seen that Mr G was expecting to receive the refund from H in April 2024. The refund was for a significant sum and I’m persuaded it’s reasonable to say Mr G ought to have made enquiries sooner when the credit wasn’t showing on his app or auto-spreadsheet. It appears from the evidence available to our service that Mr G is a consumer who regularly checks his account to keep abreast of his spending. And I’ve seen examples where Mr G immediately contacted Monzo where funds he was expecting to credit hadn’t done so.

I’ve mentioned already that H’s refund was partially absorbed by Mr G’s overdraft and I’m satisfied he’d have likely known his account had been significantly overdrawn. So, when H’s refund was received, I think it would have been clear that a refund of some sort had changed the account balance from being overdrawn to showing that it was in credit.

In the webchat Mr G shared with our service he told Monzo that he was informed by H that it had refunded the deposit at the time her returned the hired vehicle. But he didn’t contact Monzo until 8 May 2024 to query the whereabouts of his refund. Had he contacted Monzo

sooner he'd have been informed that H's credit had taken his account from a negative to positive balance. I'm persuaded this could have led to him making different budgeting decisions.

Mr G's shared a statement of fitness for work with our service. This document shows the adaptations at work that may be required following Mr G's return to work. But this isn't evidence that provides a direct causal link to how not being made aware of H's refund in real-time affected him or exacerbated a health condition. And in the overall circumstances, as Mr G could have made enquiries about the whereabouts of H's refund sooner, I'm not persuaded that Monzo's failure to provide real-time account updates caused him to overspend.

I'm satisfied that Mr G was caused trouble and upset in not being made aware that the refund from H had credited his account. And, like our investigator, I'm satisfied this warrants an award of compensation. I've carefully assessed whether the level of compensation our investigator recommended appropriately recognises the impact that not receiving real-time updates had on Mr G.

Here our investigator recommended that Monzo increase the compensation it paid from £20 to £120. It's clear from what Mr G has told our service that he doesn't feel this is an adequate reflection of what happened here. I can see he's referred our service to examples of previous complaints we've dealt with in similar circumstances and the compensation that's been awarded in those cases.

Our investigator was correct to explain to Mr G that this service considers complaints on an individual basis. So, any compensation awarded needs to reflect the impact on the individual people involved because the same situation could have a considerably different impact on different consumers. This means that we can't comment on the compensation that may have been awarded in a different case.

We aren't here to punish businesses and, when deciding what potential compensation to award, our service must take two things into account: financial loss as a result of any business error and non-financial loss, including inconvenience and upset.

Mr G told our investigator he lost out financially as a result of what happened due to overspending. But, as I've already explained, I haven't seen any causal evidence to satisfy me that this occurred because of Monzo's failure to provide Mr G with real-time updates of account transactions.

Turning now to awards for non-financial loss there isn't a set formula that we use to calculate awards for particular errors. It's my role to consider what impact the bank's actions have had on the consumer and to decide, within guidelines set by our service, whether compensation would be appropriate in the circumstances.

Having thought very carefully about the impact all of this had on Mr G, I'm satisfied that £120 (the overall amount of compensation recommended by our investigator) is a fair and reasonable resolution to this complaint. It's clear Mr G's experience here went beyond mere irritation. He was caused trouble and upset by what happened and he spent time contacting Monzo to query the whereabouts of his refund from H. That all could have been avoided if a real-time update on account transactions had been available.

While I can understand how inconvenient all of this was for Mr G, I'm satisfied that £120 is a fair amount of compensation that's proportionate to the inconvenience and worry that he'd have been caused here. It's in line with our approach in similar scenarios and it's what I would have directed Monzo to pay if no recommendation had been made. I'm satisfied that

the compensation our investigator recommended is fair and reasonable in the overall circumstances of this complaint. So, I won't be directing Monzo to pay any more

Finally, I understand that Mr G is unhappy with the way in which Monzo responded to his complaint. However, I'd like to explain that, strictly speaking, we don't have the power to look at how financial businesses deal with complaint handling – as it's not a regulated activity under the legislation that governs our service. So, even if I did think Monzo hadn't handled Mr G's complaint well, I wouldn't be able to uphold that element of his concerns or make an award. So, I won't address this any further here.

I appreciate that Mr G feels very strongly about the issues raised in this complaint and I realise he'll be disappointed with my decision. But this now brings to an end what we, in trying to resolve Mr G's dispute with Monzo, can do for him. I'm sorry we can't help Mr G further on this.

### **Putting things right**

For the reasons outlined I'm satisfied the compensation recommended by our investigator is a fair and reasonable resolution to this complaint. Monzo should now pay Mr G £100 in compensation; it having already paid him the sum of £20.

### **My final decision**

My final decision is that I uphold this complaint for the reasons stated above. To resolve this complaint Monzo Bank Ltd should pay Mr G an additional £100 in compensation to resolve this complaint (taking the total amount to £120).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 13 January 2025.

Julie Mitchell  
**Ombudsman**