DRN-2559930

The complaint

Mr S is unhappy with Monzo Bank Ltd's decision to close his account. To put things right he'd like around £500 compensation.

What happened

Mr S held an account with Monzo since 2018. In December 2020 Monzo wrote to Mr S to let him know they'd be closing his account immediately. Monzo didn't tell Mr S the reasons why.

Mr S complained because he thought they should give him at least two months' notice when deciding to close his account. Monzo didn't uphold the complaint. They said they were entitled to close it immediately under the terms of the account and they wouldn't reverse their decision or tell Mr S any more information.

Mr S remained unhappy and brought the complaint to our service. He said Monzo caused him a great deal of inconvenience by closing the account as this was his main account which he used for his salary and day to day living. Mr S confirmed he had been able to open another account with a different bank but for the time he was without one, he felt *'stuck'*.

The investigator didn't think Monzo had acted unfairly. She explained Monzo were obliging with their regulations and they were entitled to close it immediately. Overall, she thought their decision to close the account was fair and so didn't ask them to do anything to put things right.

Mr S remained unhappy and asked an ombudsman to review things. So, the complaint has been passed to me.

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 done so, I won't be upholding Mr S' complaint. I know this will come as a great disappointment to Mr S, but I've explained my reasons further below.

Monzo are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They're also required to carry out ongoing monitoring of new and existing relationships. Having looked at what's happened, I'm satisfied Monzo was complying with their legal and regulatory obligations when they reviewed and subsequently closed Mr S' account. So, I can't fairly say they've done anything wrong.

Banks sometimes choose to end their relationship with customers – but they can only do so if it's in the terms and conditions of the account. I've reviewed the terms and I'm satisfied Monzo were entitled to close Mr S' account without giving him notice. So, I can't fairly uphold Mr S' complaint on this point.

Monzo hasn't shared any information about why they took the action they did with Mr S – and they're not obliged to. But I'd like to reassure Mr S that based on the evidence I've seen, the circumstances of this complaint and the terms and conditions of the account, I'm satisfied Monzo were fair in their actions.

This service won't generally intervene in a bank's commercial discretion. Monzo exercised their right to no longer offer Mr S banking facilities and I've seen nothing to suggest that they've made an unfair decision. So, I can't fairly ask them to do anything differently.

Overall, I recognise how strongly Mr S feels about what's happened, but I can only uphold Mr S' complaint if I think Monzo have acted unfairly. I'm sorry I can't share any more details with Mr S but I hope my review has reassured him that I'm satisfied Monzo have acted reasonably in the circumstances of this complaint. And therefore, I won't be asking them to do anything to put things right.

My final decision

For the reasons I've explained above, I don't uphold this complaint.
Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 29 June 2021.

Hayley West
Ombudsman