The complaint

Mr B complains Monzo Bank Ltd ("Monzo") didn't set up a direct debit correctly when he switched his current account to it. He's also unhappy it reinstated a cancelled direct debit when he hadn't instructed it to. Mr B also complains about the service he received from Monzo during this period.

What happened

The details of this complaint are well known to both parties, so I won't repeat them in detail again here. Instead, I'll focus on giving the reasons for my decision.

In summary, Mr B switched his current account to Monzo using the Current Account Switch Service (CASS). Subsequently, a company – I'll call it P – told him it couldn't collect a direct debit from his account. Mr B got in touch with Monzo to query this and later complained it failed to respond to his questions and provided conflicting information.

Monzo said all the direct debit mandates on Mr B's previous account had successfully transferred across to his account with it, including the one for P. But there was no record of P attempting to collect a payment. Monzo also informed Mr B in line with its terms and conditions it had decided to close his account due to unreasonable behaviour. As he'd initiated a switch to another account provider, Monzo agreed to keep Mr B's account open until this was complete. During this time, Mr B complained a direct debit to another company – I'll call it A – which he'd cancelled had been set up again. Monzo said it wasn't at fault as it had received instructions to set up the direct debit directly from A.

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 understand Mr B feels very strongly about his complaint. Although I've only summarised the background and arguments above, I'd like to reassure him and Monzo I've read and considered everything in its entirety. That I concentrate on the crux of the issue in my decision isn't meant as a discourtesy but reflects the quick and informal service we provide.

Having carefully considered everything, I agree with the conclusions reached by the investigator for these reasons:

- I acknowledge Mr B's frustrations as the information he says he was given by P appears to contradict what Monzo told him. But Monzo has provided us system screenshots which show the direct debit mandate for P was successfully transferred across to Mr B's account with it. And this happened with the seven-day switching period under CASS. It's unclear why P was unable to collect a payment, but from what I've seen, I'm satisfied a direct debit instruction was in place to facilitate this. So, I don't consider Monzo did anything wrong in this regard.
- I've also looked at the details of the direct debit for A and I can see Monzo received a new mandate directly from A. So, while Mr B did cancel the original mandate, A sent a new instruction through the Automated Direct Debit Instruction Service (AUDDIS). From the available information, I understand this was to collect payments for a renewal policy he held with A. I appreciate Mr B has said he cancelled the direct

debit upon receiving a renewal notification. Given the timing of events, it's possible there may have been an overlap between A sending the direct debit instruction to Monzo and Mr B cancelling the renewal. In any event, a payment wasn't collected, and I don't think Monzo did anything wrong in setting up the direct debit upon receiving A's instructions.

- I've next thought about Mr B's concerns about the service he received from Monzo at these times. In her assessment, our investigator provided a timeline summary of the communication between Mr B and Monzo. So, I won't repeat it here again. But having reviewed the available information, including the email chain Mr B forwarded us, I'm satisfied Monzo provided a clear explanation to him in relation to the direct debit issues. So, I don't agree it failed to answer his questions. I recognise the answers didn't come as quickly as Mr B would have liked, but I don't consider it unreasonable for a bank to take a few days to provide a detailed answer to a question that requires further investigation.
- I accept emotions ran high, but I don't think Mr B's comments and choice of words helped matters. He reacted in a way that was reasonably perceived by Monzo as being disrespectful. I can see Monzo requested Mr B to speak in a respectful manner before making the decision to only communicate with him in writing, and ultimately deciding to close his account. The terms and conditions Mr B agreed to at the time of opening the account set out the circumstances under which Monzo may close an account or restrict access. This includes abusive behavior, which Monzo states is what happened here. Given the available evidence shows Mr B's repeated unreasonable behavior towards its staff, I don't think the steps Monzo took were unreasonable in the circumstances.

Overall, I appreciate Mr B's frustrations and recognise he's likely to disagree with my findings. But for the reasons given, I make no award in relation to this complaint.

My final decision

For the reasons given, my final decision is I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 24 July 2021.

Gagandeep Singh
Ombudsman