

The complaint

Miss C complains Monzo Bank Ltd closed her account and defaulted her unfairly.

What happened

Miss C had an account with Monzo.

Monzo says Miss C contacted them on 5 August 2020 to say that her car had been broken into and that her mobile phone, debit card and other belongings had been stolen. Monzo says Miss C also told them at the time that there were transactions on her account that she didn't recognise. Monzo investigated these transactions. Following its investigation, Monzo decided to close Miss C's account.

Monzo says Miss C contacted them again – after it had said it was going to close her account – to say that someone else had been impersonating her and that there weren't any unauthorised transactions on her account. Following this call, Monzo says it decided to close Miss C's account sooner than it had originally planned.

Miss C's account was £100 overdrawn when it was closed. Miss C says she wanted to repay the overdraft but Monzo didn't send her the details of how to do so. Monzo says it defaulted Miss C's account because she didn't repay the overdraft. Miss C complained to us saying that Monzo had acted unfairly defaulting her. She also complained saying Monzo had acted unfairly closing her account.

Our investigator looked into Miss C's complaint and said that they didn't think that Monzo had acted unfairly. Miss C disagreed and wanted an ombudsman to look into her complaint. So I've done that.

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 spoken to Miss C on the phone as she wanted to send us additional evidence and said it would be easier to speak on the phone. When we spoke, Miss C told me that she now believes her ex-partner might have been the person who:

- (a) stole her mobile phone, card and other belongings; and
- (b) impersonated her.

She's also told me – in as much detail as she can remember – what she says happened in this case.

I've had a look at Miss C's file – including the evidence that both Monzo and Miss C has sent us – since speaking to Miss C. Having done so, I don't think Monzo has acted unfairly. I'll explain why.

Both sides have sent us a considerable amount of evidence.

Monzo has put together a strong case to suggest that Miss C called and contacted them several times between 5 and 10 August 2020 to report that:

- (a) her mobile phone and debit card, amongst other things, had been stolen from her car; and
- (b) there had been approximately 60 unauthorised transactions on her account.

Monzo has also put together a strong case to suggest that Miss C called them again on 20 August 2020 to say that:

- (a) she hadn't spoken to them on 10 August 2020; and
- (b) someone else impersonating her had called them.

Miss C's case, in comparison, is inconsistent in many places, including on key issues. For example, Miss C told me that she's never disputed transactions on her account – and that the person who called Monzo to dispute transactions wasn't her – but I can see she called us on 20 August 2020 to complain about unauthorised transactions on her account. That's not the only inconsistency either. Miss C told us that she never recovered her mobile phone, but told me that one of her friends located her mobile phone and recovered it from a "boy". On balance, taking all the evidence into account, I don't think Monzo acted unfairly or unreasonably when it decided to close Miss C's account. Nor do I think it would be fair or reasonable to ask Monzo to re-open Miss C's account, even taking everything else she has told me. So I'm not going to uphold that part of Miss C's complaint.

I can see that Miss C's account was £100 overdrawn when it was closed on 10 September 2020. Neither party is disputing this. Miss C doesn't, however, think it's fair that Monzo defaulted her because she didn't know how to go about repaying the overdraft. It's true that when an account is closed it isn't so straightforward paying off any outstanding balance. I can, however, see that Monzo gave Miss C until 9 November to repay her overdraft. Miss C says that she was having to use someone else's device to access her emails so wasn't able to check them all the time. That may or may not be the case, but even if she only had occasional access to her emails, I do think she was aware her overdraft needed repaying and that she had sufficient opportunity to repay it before the account was defaulted. So I don't think Monzo acted unfairly here either.

My final decision

My Final Decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 5 January 2022.

Nicolas Atkinson
Ombudsman