

The complaint

Miss S complains about Monzo Bank Ltd closing her bank account without giving a reason.

What happened

Miss S held a personal bank account with Monzo and between December 2020 and August 2021 she liaised with Monzo due to some difficulties with her account. These included:

- a) The non-receipt of a new card and a requirement to change address before another card could be dispatched
- b) A problematic / delayed payment
- c) The loss of her card with Personal Identity Number (PIN) attached to the card
- d) Multiple disputed transactions

In August 2021, following issues c and d, Monzo informed Miss S that they would be closing her bank account and they gave her two months' notice.

Miss S needed her account and didn't understand why her account was being closed, so she complained to Monzo. Monzo didn't give her a specific reason and stated that they regularly review and sometimes close accounts as part of their legal and regulatory responsibilities.

Miss S complained to our service, but our investigator said this was an action Monzo were entitled to take.

As Miss S remains dissatisfied, this case has now been referred to me to look at.

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'm not upholding this complaint. I appreciate this will be disappointing for Miss S and I'll explain the reason for my decision.

Whilst I appreciate Miss S's upset here and the inconvenience caused, a bank is entitled to close an account with a customer just as a customer may close an account with a bank. However, when doing so, it must comply with the terms and conditions of the account.

I checked the account terms and conditions which Miss S agreed to, and these said:

'We can close your account by giving you at least two months' notice'.

They also referenced customer PIN responsibilities.

Although I understand the disappointment and impact of Monzo's decision, I'm satisfied it was a decision they were entitled to take, and they've done so within their terms and conditions. I appreciate Miss S is frustrated at the lack of a detailed explanation, but banks are entitled to make risk-based assessments and commercial decisions and don't have to explain their reasons for closing an account.

So, having looked closely at the file, I can't say Monzo have done anything wrong by not giving Miss S this information.

So having considered all the above, I'm not upholding this complaint.

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 S to accept or reject my decision before 18 January 2024.

Paul Douglas
Ombudsman