

The complaint

G, a limited company, complains that Monzo Bank Ltd didn't make the features of its 'Plus' service clear and that it didn't cancel this on request.

What happened

G is represented by its director who also has a personal account with Monzo Bank. He says that he wanted to have a virtual card for G. And in December 2021 was directed on the website to apply for Monzo Plus. He quickly realised that a virtual card wasn't available for business accounts and he told Monzo Bank in an online chat he wanted to cancel this service. He is unhappy that this didn't happen and wants a refund of fees paid.

Monzo Bank said that a virtual card was only available for a personal current account. When the director was in contact it had told him he would need to go onto the app to cancel the service within 14 days of applying. This didn't happen and so fees were charged. It wouldn't be refunding these.

Our investigator didn't recommend that the complaint be upheld. The terms and conditions of the product had been accepted. The virtual card with Monzo Plus applied to a current account and not the business account. Monzo Bank had told the director during the online chat how to cancel the product. It had said he had read the message and he hadn't taken any action. Monzo Bank is an app-based bank and he didn't think it unreasonable that the director be asked to complete this in the app. While the director may have assumed this had been cancelled that's not what the message said.

G didn't agree. The director said that it didn't matter what had been deemed as viewed during the online chat. He had made a clear request to cancel the service within a 14-day cooling off period. Monzo Bank's team should have ensured that this was done. He would have expected help when say signing up to the app and so this should apply if a service was cancelled. He is disappointed that a request in writing was ignored and that the process created 'friction'.

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'm satisfied from the information available that the Monzo Plus service didn't give virtual cards for a business account. I say this for two reasons. First virtual cards didn't appear to be available for business accounts at that time. And in addition, Monzo Plus was a service relating to personal and not business accounts.

In any event the director of G realised this having signed up and wanted to cancel the product. The terms and conditions of the Monzo Plus account applicable at the time state that *"if you change your mind, you can cancel Monzo Plus within 14 days of signing up. If you'd like to cancel you can do this in the app. We'll give you a full refund of your monthly fee..."*

During the online chat about this the director was passed to a specialist team. That team replied as follows:

I'm sorry to hear about whats happened!. You can cancel Monzo Plus within 14 days of signing up. Just go to the Plus tab, scroll down and select "Settings", then tap "Cancel Monzo Plus". We'll give you a full refund of your monthly fee as per our Ts&Cs. Let me know if you have any trouble with this [name of director anonymised]!

I'm afraid I think that what the director needed to do was set out and the explanation was in line with the terms and conditions of the product. It's a matter for Monzo Bank to set its processes and it offered to assist the director if there were any issues. So, I don't think it made any mistake in not cancelling the service at that time. And I won't be requiring it to do anything further.

My final decision

My decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask G to accept or reject my decision before 16 September 2022.

Michael Crewe
Ombudsman