

Complaint

Mr M is unhappy that Monzo Bank Ltd (“Monzo”) has refused to reopen his account.

Background

In April 2022, Mr M notified Monzo that he’d moved to the United States of America (“US”) and as a result wanted to open a US Monzo account. Mr M was told that he couldn’t have a US Monzo account as long as he had a United Kingdom (“UK”) one. So if he wanted a US Monzo account he had to close his UK Monzo account before applying for one. Mr M did this but was subsequently refused a US Monzo account.

After this Mr M asked for his UK Monzo account to be reopened. Monzo refused and Mr M made a complaint, which Monzo didn’t uphold. As Mr M remained dissatisfied, he referred the matter to our service.

One of our adjudicators looked into Mr M’s concerns. She didn’t think that Monzo had done anything wrong or treated Mr M unfairly and so didn’t recommend the complaint be upheld. Mr M disagreed and so the complaint was passed to an ombudsman for a final decision.

My findings

I’ve considered all the available evidence and arguments to decide what’s fair and reasonable in the circumstances of this complaint.

Having carefully considered everything, I don’t think that Monzo acted unfairly towards Mr M and so I’m not upholding his complaint. I’ll explain why in a little more detail.

As our adjudicator explained to Mr M, a bank is under no obligation to continue offering an account to a consumer if it doesn’t wish to do so. I know that Mr M is unhappy that Monzo won’t reopen his account. However, providing a customer with an account is a commercial decision that a bank is entitled to take.

In this case, Mr M decided to close his UK Monzo account so that he could apply for a US one. This was a decision that Mr M chose to make. And having looked through the content of the communications Mr M exchanged with Monzo, I can’t see that he was ever told he’d be guaranteed a US Monzo account as a result of closing his UK one.

I realise that Monzo’s decision not to reopen his UK account will have been very disappointing to Mr M and I can appreciate why this will have caused him inconvenience. I also suspect that there’s an element of disappointment as he feels as though he would still have his UK Monzo account had he not been told he had to close it ahead of applying for a US one.

However, there’s no guarantee that this is the case as Monzo’s terms and conditions state that only UK residents are eligible for UK Monzo accounts. And Mr M had already told Mr M that he was moving to the US and that’s why he wanted a US Monzo account. So Monzo may well have taken the decision to close his account anyway if he hadn’t chose to do this

himself. In any event, what's most important of all here is that I'm simply not in a position to be able to tell Monzo that it has to offer Mr M an account in circumstances where it has legitimately decided it doesn't wish to do so.

So overall and having considered everything, I don't think that Monzo acted unfairly towards Mr M and I'm not upholding this complaint. I appreciate this will be very disappointing for Mr M. But I hope he'll understand the reasons for my decision and that he'll appreciate why I think Monzo hasn't acted unfairly or unreasonably towards him.

My final decision

For the reasons I've explained, I'm not upholding Mr M's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 20 September 2022.

Jeshen Narayanan
Ombudsman