

The complaint

Mr D has complained that the gambling block added to his account by Monzo Bank Ltd ("Monzo") failed to stop gambling transactions from leaving his account.

Background

Mr D has an account with Monzo. In May 2021 he contacted the bank to make it aware he had a compulsive gambling problem and to find out what support the bank could provide him. At that time blocks were added to his account to prevent him from being able to make future online gambling payments.

Unfortunately, the blocks applied didn't stop Mr D from being able to gamble as he was still able to use some gambling websites despite the block being in place. He has said that this is a failure on the part of Monzo, he'd been guaranteed the blocks would work, and so he wants the bank to refund all of his gambling losses from May 2021.

In addition, Mr D has said that when he complained to Monzo about these problems he was left waiting an unreasonable amount of time for a response or any support.

Monzo has said that it explained to Mr D in May 2021 that the gambling block could be useful but that it wasn't guaranteed to stop all gambling transactions. Blocks like the ones it, and other banks, offer have limitations and are dependant on the gambling merchant presenting its transactions in a specific way. So, it didn't uphold that part of Mr D's complaint. However, it did agree that at times Mr D was left waiting too long when he asked for help or made his complaint and for those delays it offered him £25 compensation.

Mr D didn't accept Monzo's response and brought the complaint to our service. One of our adjudicators has looked into Mr D's complaint and didn't uphold it. They said that Monzo had clearly explained the blocks were imperfect and may not work on every transaction and so they didn't think the bank had made any error.

Mr D remained unhappy with the response and asked for an ombudsman to review his complaint and so it has been passed to me to consider.

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 done so I agree with the conclusions reached by our adjudicator and for much the same reason. I appreciate this will be disappointing for Mr D so I've set out my findings below so he can see why I've reached the outcome I have.

Gambling blocks, such as the one Monzo offer, are imperfect tools. They rely on gambling merchants to use specific UK merchant codes in order for the transaction to be recognised as gambling. If the merchant, for any reason (such as they are based outside of the UK or offer multiple services such as gaming as well as gambling), uses a different merchant code

they will be able to circumvent the block. This is because the block is essentially an algorithm designed to stop transactions with the UK gambling code. If that code is not present the algorithm doesn't know the transaction is linked to gambling and will allow it to be debited from the account.

Monzo has confirmed that when the block was applied in May 2021 its limitations were explained to Mr D. And Mr D doesn't contest this but does think that a single warning isn't sufficient. However, I also know that if you access the gambling block in your Monzo app it fully explains that there are limitations to the block and that it may not work all of the time. And I can see that when Mr D queried why gambling transactions had been paid from his account Monzo again clarified the limitations on how the block worked. So, I can't reasonably say Monzo failed to explain that the gambling tool, while potentially helpful, wasn't guaranteed to work all of the time. And so, I don't think the bank made a mistake in relation to the information it gave Mr D and I can't uphold his complaint on that basis.

Mr D has also complained that Monzo took too long to respond to his complaint and his online messages in general. Monzo has confirmed that while it did respond to Mr D within the time frames set out by the regulator, it agreed at times it didn't respond to his online messages as quickly as it should have. For those delays it offered Mr D £25 compensation, which I think is reasonable in the circumstances.

So, for the reasons set out above I'm not upholding Mr D's complaint and I don't think Monzo needs to do anymore in relation to it.

My final decision

For the reasons set out above I don't uphold Mr D's complaint against Monzo Bank Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 21 July 2023.

Karen Hanlon
Ombudsman