

The complaint

Mr W complains Monzo Bank Ltd (“Monzo”) failed to send him a closing statement for his bank account and was obstructive when he contacted it to request one.

What happened

Monzo decided to close Mr W’s bank account, giving him two months’ notice. The date the account closed was 3 October 2022. There was a negative balance on the account which Monzo was asking Mr W to pay back, and he wanted a closing statement to evidence this and how it had arisen. A closing statement was not sent automatically when the account closed, and Mr W says he therefore asked Monzo to send him a statement.

Mr W says Monzo refused to send him a statement unless he jumped through hoops which he considered unreasonable or impossible. For example, he says he was repeatedly asked to provide a selfie holding some photo ID, when he had no photo ID. He said he didn’t understand why this was necessary to send a statement to the same contact details Monzo already had on file for him.

Mr W complained to Monzo about the situation and he was sent a final response on 24 April 2023. In this, Monzo said it was partially upholding his complaint. It accepted that it had not sent Mr W a closing statement when the account was closed, and this had been an oversight. It said it had sent him the statement on 21 November 2022 and if he’d not received this it must have been lost in the post. It offered £40 compensation for its delays.

Monzo didn’t accept Mr W’s complaint about requesting a selfie holding photo ID. It said it was necessary for him to provide this for security purposes, as part of the bank’s procedures. It said if he wanted to receive his statement he would need to provide the selfie of him holding his photo ID, and the email address and phone number linked to the account.

Dissatisfied with this response, Mr W brought his complaint to the Financial Ombudsman Service, where it was considered by an investigator. Monzo told our investigator that Mr W had not contacted it on 4 October 2022 to ask for a statement and it denied having asked him for a selfie and photo ID to send one out to him. It said that this wouldn’t have been required to send the statement to the address it had on file for him. Monzo said the first time Mr W had been in touch after the account closed was on 21 November 2022. It provided copies of chat transcripts, call recordings and email chains to support its position.

Our investigator was initially persuaded by Monzo’s evidence. He said the offer of £40 compensation it had made for delays in sending him a statement was fair, and he noted it had sent him a statement as soon as he’d asked for one in November 2022.

Mr W then sent our investigator an email chain in which it appeared Monzo had asked him to provide a selfie holding photo ID five times between 4 October 2022 and 19 October 2022 before it would send him a closing statement. It had also said he could send a selfie holding a piece of paper with that day’s date on it if he didn’t have photo ID, several times between 14 October 2022 and 20 October 2022.

Our investigator questioned Monzo over this. It took a long time to reply. When it did, it accepted that the emails Mr W had produced were genuine and it had overlooked these when responding to the complaint. It noted that at the time Mr W's account was closed, it was not its practice to send a closing statement, though this had now changed.

Following this, our investigator revised his recommendations. He recommended the bank pay an additional £160 to Mr W on top of what it had already offered. He considered Monzo should have sent Mr W a closing statement and that it had put in place unnecessary requirements when he requested one. This had caused Mr W distress and inconvenience.

Mr W accepted our investigator's revised assessment, but Monzo did not. It said that *"the process we have in place now was not business practice at the time of the event"* but it was prepared to offer £50, not £160, compensation for the inconvenience caused to Mr W.

Ultimately, no agreement could be reached and the matter has been passed to me to decide. Our investigator asked Monzo to clarify what it meant in the passage quoted above, but it has not done so.

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.

At its heart this case is about the level of customer service Monzo provided when Mr W requested a statement for his closed account. I think the service provided by Monzo in connection with this request was poor. I've summarised the reasons below:

- Mr W first requested a statement, by email, on 3 October 2022. He asked for the statement to be sent to his postal address.
- Various Monzo staff, between 4 October 2022 and 21 October 2022, insisted to Mr W that in order to receive the statement he needed to send a selfie holding photo ID or a piece of paper with that day's date on it. Mr W was told this nine times and was clearly getting increasingly frustrated by what he considered to be Monzo's unnecessary requests.
- Monzo appears to accept that, in order to send a statement for an account to the address registered to that account, it did not require a customer to go through an ID verification process.¹ This means it gave Mr W the wrong information nine times and unreasonably delayed sending him the requested statement.

I think Monzo's poor service caused Mr W a not-insignificant degree of inconvenience and frustration. The frustration is clear from the chain of emails with Monzo staff, and ultimately Mr W had to send far more emails than he should have, and had to make a phone call to get his statement when this wasn't necessary. It also appears, based on some of Mr W's comments, that there may have been some knock-on effects on his credit file. I understand these were resolved by Monzo without much input from Mr W, but that they may also have contributed to his annoyance over the set of issues.

In light of the above, I do not think our investigator's recommendation of £160 compensation

¹ Monzo appears to have suggested that it had a different policy in place at the time of Mr W's requests, but it has been quite unclear about what exactly it is referring to. On balance, I think it is referring to the process of sending out a statement automatically on closure of an account, as opposed to whether it now has different verification procedures for sending a statement at the request of a customer. So I have proceeded on that basis.

(on top of the £40 already paid) was excessive. It seems to me to be a fair reflection of the impact on Mr W and is consistent with the examples we publish on our website. I therefore adopt our investigator's recommendation in my decision.

My final decision

For the reasons explained above, I uphold Mr W's complaint and order Monzo Bank Ltd to pay Mr W £160 compensation. If it has not already paid the £40 it offered Mr W previously, it must ensure this is now paid as well.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr W to accept or reject my decision before 27 September 2023.

Will Culley
Ombudsman