

## **The complaint**

Mr K is unhappy that Monzo Bank Ltd restricted his account temporarily.

## **What happened**

Mr K logged into his banking app for his Monzo account via a new device. He said he successfully completed its verification checks, but his account was blocked moments after. Unhappy with this, Mr K complained to Monzo, and he said he wanted an explanation for why his account had been blocked.

Monzo said its specialist team was reviewing information on Mr K's account at the time and this can take time to complete. It said it correctly followed internal procedures when conducting its review of the account.

Mr K did not think the answer Monzo gave was satisfactory and brought his complaint to our service. He said he had planned to buy a car and had to borrow money to do so which he found embarrassing. He would like an apology and compensation.

Our investigator did not think the complaint should be upheld. He said reviews can be carried out at any time and he didn't expect the bank to notify a customer before doing so. He added, that Monzo has legal obligations to fulfil, and part of its regulatory requirements is to carry out reviews. He also said that the review was completed within hours which he did not think was unreasonable.

Mr K did not accept what our investigator said and asked for an ombudsman's decision. As such, the complaint has been passed to me to decide.

## **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.

What I have thought about is whether Mr K has been treated fairly and reasonably in the particular circumstances of this complaint. Having done so, I agree with the outcome reached by the investigator, and for similar reasons. I'll explain why.

I appreciate that Mr K is unhappy that Monzo conducted a review and temporarily blocked his account. The way in which Monzo organises its internal systems, and the processes it has in place- such as its accounts review process, is a commercial matter it is entitled to decide internally. It's not something our service would look to interfere with.

Even though Mr K says he successfully completed its customer verification checks via its app, Monzo's specialist department wanted to conduct a review of information on his account, and I don't think that is unreasonable.

Monzo is required to have processes in place to protect its customers and to prevent financial crime. So, while I accept Mr K passed verification via the app, I do not find it was unreasonable for there to be a temporary restriction on his account while Monzo completed

its review given Mr K had just accessed the app via a new device.

In response to Mr K's complaint, Monzo explained that it was abiding by the regulator's requirements, and I find that is a reasonable explanation. I can see that Monzo lifted the block the following morning and, as such, I'm satisfied the review was completed in a reasonable amount of time.

I would add that, using financial services is not always hassle free. While I understand that Mr K said he had to borrow money as he planned to buy a car in the morning, I find any inconvenience Mr K experienced was short lived, as the block was only on the account for a few hours. I also note Mr K successfully transferred the funds out of his account shortly after Monzo removed the block in the morning. Nevertheless, as I have not found that Monzo made any errors, I would not hold it responsible for the inconvenience Mr K said he experienced, nor would I ask it to compensate him for the embarrassment he says he was caused.

Overall, I have not found that Monzo did anything wrong in applying a temporary block to Mr K's account. As such, I do not expect it to do anything differently in the circumstances.

### **My final decision**

For the reasons I've given above, my decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 1 April 2024.

Oluwatobi Balogun  
**Ombudsman**