

## **The complaint**

Mr A complains Monzo Bank Limited (Monzo) provided poor customer service when dealing with a scheduled payment.

## **What happened**

Mr A says he approached Monzo in late July 2023 to arrange for an increase to his bank account payment limit, from the default amount of £10,000 to facilitate a payment of around £18,700 to repay a loan with another provider. Mr A says on the date of the scheduled payment that had been agreed by Monzo, the payment was declined as Monzo had failed to take into account other scheduled payments due the same day.

Mr A says he was inconvenienced as he had to make part of the payment from another bank account taking him into an overdraft. Mr A says when he raised this issue with Monzo it wasn't helpful and informed him it could take up to seven days to respond.

Mr A is unhappy with the service Monzo provided and it should look at better ways to support its customers who need to undertake urgent transactions like this. Mr A says Monzo should have considered his other scheduled payments, when approving the payment limit increase he requested.

Monzo says it did put in place the temporary payment limit increase Mr A had requested with an extra £500 buffer limit, however Mr A had other payments scheduled that day prior to the loan payment which took him over the payment limit agreed.

Monzo says under its terms and conditions it is made clear that it will communicate via the in-app chat facility. Monzo says it escalated Mr A's concerns but by which time Mr A had sent the remaining funds using another bank account.

Mr A wasn't happy with Monzo's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator says while Monzo agreed the payment limit Mr A had requested, unfortunately there were other scheduled payments totalling £935 on that day, resulting in the loan transfer being declined.

The investigator says Monzo did explain to Mr A he needed to liaise via the chat function in the app and by the time it had got back to him regarding this matter, Mr A had already made the shortfall payment using another bank account. The investigator didn't feel Monzo were at fault here as it had increased the transfer limit as requested.

Mr A didn't agree with the investigator's view and asked for the matter to be referred to an ombudsman for a final decision.

## **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.

Having done so, I won't be upholding this complaint and I will explain how I have come to my decision.

I can understand it would have been frustrating for Mr A, having scheduled an increased payment limit for the repayment of a loan, to see that payment declined by Monzo. When looking at this complaint I will consider if Monzo provided sufficient support to Mr A and if it was at fault when it rejected the scheduled loan payment from his bank account.

The background to this complaint is well known to both parties so I don't intend to repeat everything that has already been said here. That's not to say I haven't considered everything – I have, it's just that I don't feel it's necessary to comment on every point made in order to come to a full and impartial decision here.

Mr A's complaint centres around the fact having submitted and having had approval for a temporary payment limit by Monzo, it failed to approve the payment to repay his loan with another provider and its service when dealing with the issue thereafter was poor.

I understand the points Mr A makes regarding the scheduled loan payment and the increase payment limit, but I'm not fully persuaded by his argument. I say this because from the information I have seen Mr A submitted a temporary payment limit increase for the amount of the loan payment he wished to make, and this was approved by Monzo with a small buffer of £500.

What happened here is Mr A didn't take into account other scheduled payments due that day totalling in excess of £900. While Mr A may not agree, it would be his responsibility to request a payment limit to take into account these other scheduled payments as I would only expect Monzo to act on the request submitted by Mr A here.

As far as Mr A's issues regarding the service provided by Monzo is concerned, from what I have seen here, Mr A initially contacted Monzo outside its normal working hours at 6.45am and he followed this up with a phone call before 10 am, the time by which Monzo should have got back to him under its service levels.

I can see Mr A was then directed to the in-app chat, which is in line with Monzo's terms and conditions as its preferred communication method, at which point his issue was referred to the payments team.

By the time the payments team had got back to Mr A the same day, he had already made alternative arrangements to top up the amount from another bank account. Taking this into account, while I can see there was some inconvenience here for Mr A, I can't hold Monzo responsible for the cause of the initial issue here, as I have already explained and from what I can see it had acted in line within its standard processes and service levels.

While Mr A will be disappointed with my decision, I won't be asking anymore of Monzo.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 21 May 2024.

Barry White  
**Ombudsman**