

## The complaint

Mr H complains Monzo Bank Ltd (“Monzo”) declined his account application and won’t provide an explanation.

## What happened

The details of this complaint are well known by both parties, so I won’t repeat them again here in detail. Instead, I’ll focus on setting out some of the key facts and on giving my reasons for my decision.

In October 2023, Mr H applied for an account with Monzo. There were some issues with Mr H being able to upload his picture as part of the ID verification, and wider application, process. Monzo informed Mr H at one point it couldn’t verify his account so he would need to send another photo and selfie video. It also clarified with Mr H if the account was for a male or female.

Monzo later informed Mr H on its in-app chat messaging service that after assessing his application, based on the information provided, it couldn’t offer him an account. Unhappy with Monzo’s decision, Mr H complained.

Monzo didn’t uphold Mr H’s complaint. In short, it said:

- It acted in line with the terms and conditions of the account and its internal processes
- Monzo is required to carry out checks when opening a new account. And based on the information Mr H provided its unable to do so and can’t provide any more information about this decision

Mr H referred his complaint to this service. One of our Investigator’s looked into Mr H’s complaint, and they recommended it wasn’t upheld. In short, the key findings they made were:

- Monzo has explained, in confidence, more about its criteria for opening new accounts. It’s not this service’s role to comment on how Monzo decides its criteria, but we can check if its decision to decline the application was done fairly and not discriminatory
- Monzo acted fairly in declining the application. Monzo is under no obligation to explain why it did so

Mr H disagreed with what our Investigator said. He added that he’s never been declined any financial product before - and Monzo should be open and transparent with him about its reasons.

As there’s no agreement, this 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.

Having done so, I have decided not to uphold this complaint. I'll explain why.

Banks generally set their own policies and processes for dealing with new account applications but will have regard to any legal and regulatory obligations placed upon it. It's not generally a matter for this service to interfere with a bank's policy and its processes which determine whether it opens an account.

But I do need to consider if Monzo acted fairly and reasonably in the way it did so in the individual circumstances of this complaint. Monzo has explained, and sent me supporting information, for why it decided to not open Mr H an account.

After carefully considering this, I'm satisfied Monzo has acted fairly and reasonably in doing so. I can understand why Mr H wants a detailed explanation and why this matter must be frustrating for him, but Monzo is under no obligation to do so.

I note however that Mr H was made aware, at the point of application, about issues with validating his ID. And from what I've seen, I'm satisfied Monzo acted fairly when asking him for more information and clarity about this.

Mr H has suggested that Monzo took the actions it did based on a discriminatory factor. I'd like to assure Mr H that I've very carefully considered everything he's said about this. And I want to make clear I do not doubt how genuinely he feels about this matter and the upset Monzo's actions have caused him.

While I appreciate this is Mr H's perspective, it is not my role to decide whether discrimination has taken place as a matter of law – only the courts have the power to decide this. I have, however, considered the relevant law in relation to what Mr H has said when deciding what I think is the fair and reasonable outcome.

Part of this has meant considering the provisions of The Equality Act 2010. But after doing so, I've not seen evidence to indicate Mr H was treated unfairly.

## **My final decision**

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 16 October 2024.

Ketan Nagla  
**Ombudsman**