

## **The complaint**

Miss B complains that Monzo Bank Ltd hasn't helped her get access to money that was placed in a savings account.

## **What happened**

In October 2023, a Savings Pot was opened in Miss B's name. The same day it was opened, she contacted Monzo about this to say that she would like to change what she'd opened to a different account because she'd opened the wrong one.

Monzo explained that this wouldn't be possible with this type of account because it doesn't have a cooling off period that would enable Miss B to change her mind. Monzo then explained that the provider of the Savings Pot – a third party – would only allow early withdrawal of deposits like this in certain circumstances. These would include (but aren't limited to) death, terminal illness and official bankruptcy. Monzo said that it would need to see evidence of extreme financial hardship, or unforeseen circumstances to provide this to the third party.

Monzo received some information from Miss B, but not enough to request the deposited money back from the Savings Pot provider, so it asked for further information but didn't hear back until November 2023. Eventually Miss B provided some further information about her finances and health, but Monzo still said this wasn't enough to support the early withdrawal of the funds.

In February 2024, Miss B told Monzo that her children were "messaging around" on her phone when she was looking at different offers with Monzo and they applied for the Savings Pot by accident. Monzo considered this, but still didn't feel that Miss B had provided enough clear and consistent information to justify the early release of funds from the Savings Pot.

Miss B complained to Monzo, which responded to maintain it had acted correctly in respect of how it had dealt with the requests to withdraw money from the Savings Pot. But it acknowledged that its specialists had taken too long to get in touch with her and paid £60 to compensate her for this. Miss B remained unhappy with this and brought her complaint to this service.

One of our investigators looked into this and felt Monzo has acted fairly. Miss B disagreed, saying that there was no signed documentation provided when the Savings Pot was opened and no security checks. She said that without this money, she'd struggle to support her children and it would have a significant impact on her. So the complaint was passed to an ombudsman 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 here, I've considered all that Miss B has provided and all that she has told

us. It's clear that this is a very difficult time for her and that not having access to this money has had a significant impact on her, so I've made sure to carefully consider this when looking at the circumstances here.

The starting point is that the terms for the Savings Pot are very clear about what will happen when a customer deposits money into it and the limitations of withdrawals:

*"You can't withdraw money from the Fixed Savings Pot before the fixed term ends unless there are exceptional circumstances. We'll close your Fixed Savings Pot if there's no money in it or when the Provider returns the money on maturity of the fixed term or if there are exceptional circumstances."*

This is supported by other information that Monzo provides about this account, such as the summary details:

*"Can I withdraw money?"*

*No. Your money is locked in for the length of the term you choose."*

This is all information that a customer would see before applying for this Savings Pot and I'm satisfied this makes clear that a customer won't generally be able to withdraw money from it before the end of the relevant term.

Miss B has provided several different reasons as to why she thinks that Monzo should allow her to withdraw the money from the account. The first time she contacted Monzo she sent it a message saying:

*"I would like to change my deal that I've opened up to a different ISA I've clicked the wrong one."*

Monzo then correctly explained that there is no cooling off period for this Savings Pot and so while Miss B said she had made a mistake, she wouldn't be able to withdraw the funds for this reason. Some months later, Miss B went on to say that she hadn't actually opened the Savings Pot – as her children had accidentally done so on her phone. While I've considered what Miss B has said, I don't think this is likely what actually happened here.

Instead, I'm persuaded that what is more likely to have happened is that Miss B either made a mistake when she applied for the account, or perhaps changed her mind after opening it. I say this because this is in line with what she told Monzo when she first contacted it. It's quite strange to present a completely different version of events, some months later, saying she didn't open the account herself. This is especially where she admitted to doing so very soon after opening it in October 2023. If her children had opened the account in the way she says, I think it'd be reasonable to expect her to have told Monzo when she first contacted it about the account.

So while I've considered all Miss B has said around security checks and the lack of documentation she was provided – I'm satisfied on balance that it's more likely than not that she opened this account herself, in line with Monzo's standard opening procedures. This means Monzo is entitled to follow the terms she agreed to. What I've gone on to consider is whether by doing so, this has resulted in a fair outcome in the circumstances.

The terms are clear that the Savings Pot provider will only allow withdrawals from this account in exceptional circumstances. The examples that Monzo gave were *"death, terminal illness and official bankruptcy"*. But that isn't an exhaustive list – so the right thing to do would have been for Monzo to have tried to establish whether Miss B's circumstances could

be considered exceptional.

That's what Monzo did. It asked Miss B for a fair amount of information about her circumstances and her financial position. It has asked her for information like this on a number of occasions and has shown that it was always willing to consider what she provided it – even if this didn't result in it agreeing to the withdrawal.

After considering the information, Monzo decided that Miss B's circumstances weren't sufficiently exceptional to allow a withdrawal. This is a decision it was entitled to make and one I think it reached fairly. Monzo didn't feel that what she told and provided it clearly and consistently showed that her circumstances were exceptional. Having seen this information, I'm satisfied that's a decision it reached fairly.

Monzo has acknowledged that there was an issue with its specialists getting in touch with Miss B and has paid her £60 for this. I think that's fair in the circumstances. So while I fully understand that she will be disappointed by this decision – I'm satisfied that Monzo has acted fairly and reasonably here and I won't be asking it to take any further action.

### **My final decision**

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 8 November 2024.

James Staples  
**Ombudsman**