

The complaint

Mr G complains Monzo Bank Ltd didn't assist him when he requested financial support.

What happened

Mr G complains about the lack of support provided by Monzo. He explained he asked Monzo to agree a payment plan to pay back his Flex balance, which is a credit facility similar to a credit card, offered by Monzo. Mr G explained he was off work with ill health and needed a short term payment plan to assist with his finances.

Mr G said he had '*back-and-forth*' communication with Monzo without any resolution. Mr G says he has raised multiple complaints with Monzo but has not had a response. Mr G also complained about being provided with incorrect information, that he could keep his Flex account if he switched banks away from Monzo, when he couldn't.

Monzo has not issued a final response to Mr G's complaint within the eight week timeframe, but has told our service it would cooperate with our investigation and no final response would be sent.

Mr G opened his Flex account with Monzo in August 2023 with a £1,000 limit. From the evidence provided, I can see in March 2024 Mr G contacted Monzo via the chat service and explained he needed support as he was stressed and distraught. This contact was in relations to a disputed transaction. A specialist from Monzo's customer welfare team reached out to Mr G a few days later and enquired if they could help. Monzo reached out again a few days after this asking whether Mr G had support and offered options of support, which Mr G said he did not need.

Towards the end of May Mr G asked Monzo on the chat function whether his Flex account could remain open if he switched his account to a different bank. Monzo first advised Mr G he could keep his Flex account open, however, about an hour later it corrected this, explaining he could not keep his Flex account open if he switched. Monzo apologised for providing incorrect information and explained Mr G would be able to cancel any switch he may have arranged if he wanted to keep his Flex account open.

In mid-June Mr G contacted Monzo and explained he had gambled beyond his means and need some help. Monzo responded saying it could see Mr G had a gambling account '*enabled*' and set out three further options that could be put in place to assist, including limits, spending blocks and setting up blocks on his other accounts. Monzo also provided links to several organisations which might be able to assist Mr G with gambling issues.

Mr G contacted Monzo a few days later asking it for help to repay his Flex account balance. Mr G mentioned he was struggling, Monzo explained it would pass him over to a specialist team. The next day an adviser from Monzo's borrowing team contacted Mr G. They offered long term support to pay back his Flex balance and asked Mr G to complete a budget assessment, to see which payment plan he would be eligible for. Mr G said he wanted to look at a plan for three months. Mr G asked if interest could be frozen, Monzo explained it would depend on the plan and again asked Mr G to complete a budget assessment to see how it could help.

Mr G offered to pay back £100 per month, I can see Monzo looked at this and examined his budget and thought this amount might be too much. However, Mr G said he was happy to go

ahead with the plan to pay back £100 per month, Monzo therefore agreed to this plan. Monzo asked Mr G to double check this was affordable, which he said it was. Monzo also confirmed Mr G wouldn't be able to use Flex for purchases and explained it would have to report the arrangement to credit reference agencies.

Mr G mentioned he was signed off work sick and was currently getting reduced pay. Mr G again asked for an interest freeze. Monzo explained the agreed plan wouldn't freeze interest. Monzo explained to freeze interest the payment plan would have to be much less than agreed and over a longer time period. Mr G responded to say he understood and to set up the payment plan for £100 payments.

Mr G expressed to Monzo he was unhappy with the level of support he was being offered, explaining again his mental health was poor and he was on medication.

In mid-July Mr G contacted Monzo. Mr G explains his income has reduced and he needed to reduce the payments to £50 for his Flex account for a few months, Mr G asked if interest would be payable. Monzo asked a series of questions to understand what had happened. Monzo messaged Mr G a few times asking further questions about his circumstances, which it appears Mr G did not reply to.

The day before the £100 transaction was due to go out Mr G contacted Monzo again and explained he couldn't afford for the £100 to go out of his account. I can see Monzo responded to this message the next day, the day the payment was due.

Mr G explained he needed the payment reducing to £50 for a few months and for interest to be frozen. Monzo asked Mr G to complete another budget assessment, the outcome of which showed Mr G had a shortfall in his monthly budget of over £130. Based on this information, Monzo asked how Mr G was planning to make payments. Mr G responded by saying he'd checked the numbers and this payment plan was affordable.

Mr G asked for a refund of £50 from the £100 payment he had made to his Flex account, Monzo agreed to do this and also signposted Mr G to debt advice services. Monzo advised the new plan would mean it would now freeze interest on Mr G's Flex account but would close his Flex account once the balance had been repaid.

Mr G asked why his Flex account would close, Monzo explained he had now agreed to a 17 month long term repayment plan and this was one of the terms of the new payment plan.

Mr G said he was not happy with this and cancelled the new plan, confirming he would keep the original plan in place, paying the £100 per month. Mr G wanted to know what he needed to do to be able to use his flex account again, Monzo explained he would not be able to use it until Mr G had paid the £190 he was in arrears.

In early August Mr G contacted Monzo. He explained he wanted the payment plan cancelled as he would be able to pay £300 off his Flex account at the end of the month. Mr G explained he had been working overtime. Monzo agreed to cancel the plan in advance of this payment, Mr G confirmed he didn't need any further support.

Our investigator didn't recommend upholding Mr G's complaint. They thought the evidence showed Monzo had not acted unfairly. They recognised Monzo had provided incorrect information on one occasion but quickly resolved this, with minimal impact on Mr G. Our investigator therefore didn't think Monzo needed to do anything more.

Mr G disagreed with our investigator's recommendation, explaining Monzo had not responded to some of his complaints and that he thought Monzo owed him something due to the inconvenience it had caused him.

As Mr G rejected our investigator's recommendation, his complaint has been passed to me to make 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.

I appreciate how strongly Mr G feels about his complaint. Although I may not mention every point raised, I have considered everything but limited my findings to the areas which impact the outcome of the case. No discourtesy is intended by this, it just reflects the informal nature of our service.

Where evidence is incomplete, inconclusive or contradictory, I have to make decisions on the balance of probabilities – that is, what I consider is more likely than not to have happened in light of the available evidence and the wider surrounding circumstances.

Firstly, I was sorry to hear about the difficulties Mr G has recently faced, having read through the case I can see Mr G has been through a difficult time recently.

Secondly, I understand Mr G has raised a series of complaints with Monzo, including disputed transactions. My decision here is limited to the issues raised by Mr G in his complaint form to our service dated 27 August 2024, which I summarised at the beginning of the last section.

The available evidence shows Mr G reached out several times to Monzo during the period in question. This was a responsible and appropriate action to take and I appreciate this must have been difficult for Mr G to have done so in the circumstances.

I have set out in detail above and carefully examined Monzo's response to each contact. In summary, I can see Monzo responded to each contact Mr G made, albeit some of these responses were not instant due to the demand on Monzo's services, which it explained and apologised for on each occasion.

Mr G raised some points during these conversations where I would have expected Monzo to have taken positive action, he mentioned problem gambling and his mental health and wellbeing. I can see Monzo mentioned on more than one occasion options to assist with gambling and provided a suite of options when Mr G first mentioned this. I can also see Monzo arranged check-ins with its wellbeing advisers following comments he made on the chats and signposted to organisations which may be able to assist with his mental health.

The evidence I have seen therefore demonstrates to me, on balance, Monzo responded appropriate to these matters, and I don't think it did anything wrong here.

Now dealing with the issues surrounding the support offered to Mr G's concerning his outstanding Flex balance. From the chat evidence I can see Monzo responded to each contact, once Mr G had engaged with an adviser, I can see they went through his budget twice and arranged and agreed suitable repayment plans and signposted to debt advice.

I can see Monzo examined Mr G's finances, asking appropriate questions and detail and cautioned it didn't think he was able to afford the £100 agreed first plan, but the evidence suggests Mr G wanted to go ahead with it in spite of this.

The second plan was only agreed in principle, but Mr G ultimately declined it because the terms of this plan meant his Flex account would close at the end of it. However, again the evidence demonstrates Monzo was receptive to Mr G's circumstances and tried to assist by reducing the payments required and freezing interest.

I can see Mr G thinks there was '*back-and-forth*' communications, but the evidence suggests to me it was Mr G asking for change to his plan which necessitated these communications. I was pleased to see Mr G was well enough to be back at work and able to cancel the arrangement shortly afterwards.

To summarise, on balance, I don't think Monzo did anything wrong here. The evidence I have seen shows it listened to Mr G's position and reasonably tried to rearrange the payment plan on each occasion to best suit Mr G changing circumstances.

I accept Monzo gave Mr G incorrect information about the closure of his Flex account when he enquired about switching banks. Monzo realised this quickly, apologised and provided the correct advice in approximately one hour. I therefore broadly agree with our investigator on this point, this was a small administrative error, the impact of which was likely to have been minimal. I think an apology was sufficient and what our service would expect.

Finally, our service can only provide decisions on complaints about the provision of or failure to provide a financial service. Complaint handling is not a regulated activity, so unfortunately our service therefore cannot investigate this as a complaint point on its own in these circumstances.

I therefore do not think Monzo needs to do anything more and I do not uphold this complaint.

My final decision

For the reasons I have given, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 31 December 2024.

Gareth Jones
Ombudsman