

## **The complaint**

Mr C complains that Monzo Bank Ltd froze his card and failed to give him a proper reason. Also that it failed to contact him about his complaint as he had asked before sending him a final response.

## **What happened**

In March 2024, Mr C applied for and received a new debit card from Monzo. Shortly after this he got a warning on the app that his card was frozen due to “suspicious activity”. He contacted Monzo and the adviser couldn't tell him why the card was frozen. They also couldn't trace his new card on the system.

Mr C asked to speak to a manager and he was told that the call could not be transferred but that they could arrange a call back. Mr C asked to log a complaint and the adviser did this for him. He also asked to be called back to go through the complaint. He was able to unfreeze his card.

Mr C did not receive a call back, but did receive a final response. This said out that Monzo's advisers were unable to transfer calls but that the team concerned would contact him back through the chat facility. In respect of the freezing of the card it explained that it could not provide detailed information about this. It said that sometimes it sends messages as a preventive measure. Mr C was unhappy with this and asked to reopen his complaint.

However he made a complaint to this service before Monzo could reply further.

Our Investigator reviewed Mr C's complaint. She felt that fraud prevention unfortunately often causes distress and inconvenience by causing blocks on payments. But she said this could have been minimised by better communication of the issue and clearer guidance on next steps. Call backs were not arranged and completed as requested and they were also not explained to be outside of Monzo policy. She said that Monzo should pay £50 compensation.

Monzo accepted this. Mr C didn't accept this as he thought that Monzo had unfairly blocked his card and failed to deal with his complaint properly. He also believed it had discriminated against him because he suffers from dyslexia and Monzo had never reached out to discuss the matter with him verbally.

The matter has been passed to me as an Ombudsman, to consider further.

## **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.

Mr C has complained that Monzo, in failing to arrange call backs and/or discussing his complaint verbally has failed to make reasonable adjustments for him because of his dyslexia. In other words, that it has failed its duty to make reasonable adjustments under the

Equality Act 2010. As our Investigator has explained, we will take the Equality Act into account when deciding this complaint. But my overall decision is based on what's fair and reasonable. If Mr C wants a decision that Monzo has breached the Equality Act, then he would need to go to Court.

Mr C's original complaint was that he had received notification that his card was blocked due to "suspicious activity". He couldn't understand this as he had only recently received the card. And when he called Monzo, the adviser was unable to tell him why his card had been blocked. And it seems the adviser could not see on their screen why this was so.

Monzo later explained that this was a preventive measure but that it couldn't give out more information. Such blocks are frustrating for the consumer especially when the business doesn't explain why the block was put on. I have to accept that Monzo was acting genuinely and it is not for me or Mr C to presume that it can't have a good reason to block a new card. I've seen that Mr C was able to unfreeze his card and has been able to use it since then.

I don't think that Monzo handled Mr C's complaint very well. I have listened to the full telephone recording when he spoke to the adviser. I don't find that the adviser was rude nor did they shout at Mr C. They did say that they couldn't see his new card on the system though at the same time were able to unblock it. This must have been confusing, and Monzo did later say that it had a clear record of his new card. The adviser explained that they couldn't put his call through to a manager, although they were able to speak to a manager during the call.

Mr C did ask to be called back rather than be contacted through the chat facility. Monzo didn't do that and didn't explain why it couldn't give him a call back. Monzo is an online bank with processes that are different from High Street banks. However if a customer needs to be communicated with in a certain way due to a disability it should have been able to provide facilities for this. Monzo also told us that it had advised Mr C to apply for a new card but that he wanted to use his old card. I could see no evidence that it gave this advice to Mr C either during the phone call, in writing or on the chat facility.

I've noted that Mr C made a further complaint after he received Monzo's final response. Monzo acknowledged this. However I see that Mr C made his complaint to this service immediately after that. Once the complaint has been made to us, usually any further response from the business will be made through us rather than direct to the consumer.

Having considered the position, I can't find that Monzo did anything wrong by blocking Mr C's card and note that he was able to get it unblocked. In respect of his later failure to deal with his complaint properly I do think that the £50 proposed by our Investigator is fair and reasonable compensation to pay in this matter.

### **Putting things right**

Monzo should pay £50 compensation.

### **My final decision**

I uphold the complaint in part and require Monzo Bank Ltd to provide the remedy set out under "Putting things right" above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr C to accept or reject my decision before 9 January 2025.

Ray Lawley  
**Ombudsman**