

The complaint

Mr O complains about Monzo Bank Ltd.

He is unhappy that Monzo returned £750 to its sender from his account and then closed his account with immediate effect.

What happened

Mr O says that he had an agreement with an individual to sell some items. On 11 July 2024 he received £750 into his account as payment.

Monzo had concerns about the payment and blocked his account. It then returned the funds to the sender and made the decision to close Mr O's account with immediate effect.

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.

It is clear that Monzo had some concerns about the £750 Mr O received into his account, it blocked the account and asked him to clarify what the payment was for, as it is entitled to do. Mr O explained that he had sold some items, and that these items had been provided to the intended recipient. It asked Mr O to provide some information to support this.

Mr O provided some screen shots of conversations from two messaging apps. However, Monzo didn't think that what he provided was sufficient. It returned the funds to the sender as it was not satisfied that Mr O was entitled to the funds and then closed Mr O's account.

Mr O has provided some information to this Service to support that he is entitled to the funds that Monzo returned to the sender, however this information is limited, and there are some discrepancies in what Mr O has said. The chats he has provided are not complete with some messages missing, and Mr O has not been able to provide receipts for the items he says he bought, or proof that the goods were supplied. Therefore, I cannot say that Monzo acted unfairly or unreasonably when it returned the £750.

With regard to Monzo's decision to close Mr O's account, this is clearly set out in its own terms and conditions. Banks are entitled to choose who they agree to have a banking relationship with, so I can't say that it acted unfairly when it closed his account.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 12 September 2025.

Claire Pugh
Ombudsman