

The complaint

Miss G complains that Monzo Bank Ltd unfairly restricted access to her account and took too long to remove the restriction.

What happened

On 20 December 2024, Miss G wanted to make a payment from her Monzo current account. She moved funds from her savings with Monzo into her account to do this, but when she went to make the payment she found that Monzo had restricted access to her account. Monzo explained that it had temporarily frozen Miss G's access to her account while it looked into the transaction and that it had done so to protect customers from scams.

Miss G contacted Monzo as soon as she found that her account had been restricted and said that she wanted to send this money to her family and that the restriction was having a very serious impact on her, given her circumstances. Monzo responded saying that while it could offer support to Miss G in respect of health and wellbeing, it couldn't speed up the removal of the restriction. Miss G responded to say that she had no money to buy food or drink and that she was feeling very unwell as a result of this.

Later on the same day, Monzo sent Miss G a message asking to speak to her about the payment. After the call, the restriction was removed and the payment made. But Miss G wasn't happy with how the matter had been dealt with or the time it had taken to remove the restriction and complained. Monzo responded to say that it was entitled to restrict Miss G's access to her account and review the payment in question. It also said it had dealt with the situation in line with its internal timelines for doing so. But Monzo accepted that some of Miss G's messages in its app hadn't been responded to as soon as they could have and offered her £100 for the impact this had.

Miss G disagreed with this and felt that Monzo hadn't dealt with her complaint properly, so she referred it to this service where one of our investigators looked into it for her. They said that Monzo had acted in line with its terms that allow it to refuse to make payments and that Monzo had dealt with the matter in line with its internal time scales. They also felt that the service that Monzo provided was generally helpful and that the restriction was removed on the same day as the payment was instructed. They acknowledged that some of the messages could have been responded to sooner – but felt that £100 was fair.

Miss G disagreed, saying (in summary) that Monzo hadn't shown why it took so long to investigate the issue when she had provided evidence to show the payment was genuine very quickly. She felt that Monzo had delayed the investigation by several hours and that its wellbeing team should have had a way of intervening in the restriction. Miss G suggested that she might send further information after she made an information request to this service, but nothing was received. The complaint has now been 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, I've had regard for all that Miss G has said and provided in respect of her complaint. She has gone into some detail about the impact this has had on her and I thank her for her honesty in providing this information. It's been very helpful for me to understand her perspective on the impact this matter has had on her.

In reviewing this matter independently and impartially though – I'm satisfied that what Monzo has offered to put things right is fair and reasonable to resolve this complaint. I know Miss G sees it differently, so I'll explain why in more detail below.

The starting point – as Miss G has suggested she accepts – is that Monzo was entitled to refuse to make the payment in question here and to have restricted the access to her account while it investigated this in more detail. What Miss G is unhappy with is how Monzo went about this.

Monzo restricted Miss G's access at 14:51 on 20 December 2024. Very soon after it told her it had done this, Miss G told Monzo about the impact this was having on her. Monzo has explained that it has an internal timescale to deal with circumstances like these and that this wasn't exceeded here. That said, in the circumstances here, I think the fair thing would have been for Monzo to have dealt with this as quickly as it could in respect of what Miss G had told it about the impact this was having on her.

Based on what I've seen, Monzo did that here. It offered Miss G help and support in respect of her health and wellbeing in a sympathetic and proportionate way to what she said. Miss G may not have found that helpful, because it didn't help her with the underlying problem which was the lack of access to her account – but I think this was a fair and reasonable step for Monzo to have taken.

It was several hours later at around 19:49pm that Monzo called Miss G to discuss the situation and, based on what she said, removed the restriction. I realise that's not as soon as Miss G would have liked but I've seen from Monzo's records that it was taking actions internally to deal with this quickly for Miss G in light of what she had said.

Given the content of the call, I find that it was fair and reasonable that the block was removed after this. I don't think it'd be fair to say that Monzo could or should have done so any sooner. Monzo is entitled to have taken the actions it did and based on what I've seen – it did so in a timely way and with a degree of urgency in light of Miss G's circumstances.

The issue here is that Miss G says she needed access to the money immediately and so even though the restriction was only in place for a few hours, given her circumstances the impact was particularly pronounced for her. I've considered this, but Monzo was entitled to investigate the payment here and I'm satisfied it did so in a fair and timely way.

There were a few messages that Monzo accepts it could and should have responded to sooner and for that it has offered and now paid £100. That would have been concerning and worrying for Miss G while she was waiting for a response, but I think that £100 to recognise this is fair and reasonable in the circumstances here. So there is nothing further for me to suggest that Monzo need do here.

My final decision

My final decision is that the £100 Monzo Bank Ltd has paid Miss G is fair and reasonable to resolve this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 6 June 2025.

James Staples
Ombudsman