

## **The complaint**

A complains that Monzo Bank Ltd made mistakes when opening its account that had a significant impact on its business.

## **What happened**

A was set up in February 2020 and opened a business account with a business who I'll refer to as "N" throughout the rest of this decision. In 2024 N said that it was going to start charging A for its account – normally that's something it does two years after a business account is open but for two years N waived charges on account of Covid-19. So, A started looking at opening a business account elsewhere and ultimately decided to open an account with Monzo.

A has two directors – a husband and wife – both of whom are shareholders. The husband, who I'll refer to as "Mr A" throughout the rest of this decision, had at the time more than 75% of the voting rights. Mr A, who has represented A throughout this complaint, says when he opened an account for A the application was pre-populated by Monzo with his wife's maiden name despite the fact that her married name had been updated on Companies House. Mr A says that this meant Monzo asked for evidence that, amongst other things, Mr A's wife's name had changed. Mr A says that this was unnecessary and meant the application was delayed. More importantly, Mr A says that as Monzo had already started a switching process A's account with N was blocked and began to be closed. Mr A says that this meant A, in effect, didn't have access to an account. Mr A says that Monzo repeatedly didn't make reasonable adjustments for him – he has dyslexia – and repeatedly didn't call him back. He says that this caused considerable distress and ultimately meant he ended up having to take time off work, amongst other things. Mr A complained to Monzo.

Monzo looked into A's complaint and agreed that there had been a delay in opening A's account. Monzo offered £40 in compensation for this. In addition, Monzo accepted that it had made lots of mistakes in the course of opening A's account. Monzo offered £200 in compensation for this. Mr A wasn't happy with Monzo's response and complained to our service.

One of our investigators looked into the complaint Mr A had referred to us and set up two complaints – one in relation to A's account and another in relation to Mr A's account. In other words, they set up a complaint about A's business account and a complaint about Mr A's personal account. Our investigator thought that Monzo's offer of compensation, and the actions that it had taken, was a fair outcome. Mr A disagreed and asked for the complaints to be referred to an ombudsman for a decision. His complaints were, as a result, passed on to me. This decision relates to A's account.

## **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.

Earlier on this month I issued a provisional decision.

*“There appears to be no dispute that Monzo made a lot of mistakes in the course of opening up accounts here. As far as I can see, Mr A spoke to over 35 members of staff none of whom had a good understanding of reasonable adjustments and, as far as I can see, despite having his case escalated to senior leaders and despite having been given re-assurances the same thing happened again and again. So, the only issue I really need to decide is what impact this had on A given that I’m dealing with A’s complaint in this decision.*

*Shortly after taking on this complaint, I spoke to Mr A to get a better understanding of what had gone wrong and the impact this had on him and his business. Having done so, he agreed that he’d send me statements for the business leading up to the switch to Monzo – so I could get an idea of the impact N blocking the account had caused – and his credit file as well as any additional evidence he was able to send me in relation to the impact on his mental health and what this also meant for his business. Unfortunately, despite reminders, we’ve still not received that information. So, I’ve decided the best thing to do is issue a provisional decision based on what we’ve got.*

*As I’ve already mentioned, there’s no dispute in this case that Monzo made a lot of mistakes in the course of opening A’s account. Based on what we already have, I’m satisfied that this caused A a very significant amount of inconvenience. I’m satisfied that £500 is fair compensation for this. So, that’s the award I’m minded to make.”*

Both parties were invited to reply to my provisional decision. Only Monzo did and accepted it.

### **Putting things right**

Having reconsidered everything again, I remain of the view that £500 is fair compensation in relation to this complaint. So, that’s the award I’m going to make.

### **My final decision**

My final decision is that I uphold this complaint and require Monzo Bank Ltd to pay A £500 in compensation.

Under the rules of the Financial Ombudsman Service, I’m required to ask A to accept or reject my decision before 28 April 2025.

Nicolas Atkinson  
**Ombudsman**