

The complaint

G, a limited company, complains that Monzo Bank Ltd made it difficult to integrate G's payment account data into accountancy software provided by a third party, resulting in unnecessary subscription costs and inconvenience to G.

Mr S, a director of G, represents G in its complaint.

What happened

G holds a Monzo Business account and was paying a monthly subscription for a Pro level account plan. G uses accountancy software provided by a third party that I'll refer to as X. To get the most out of X's services, G wishes to import its business account transactions directly into X.

Monzo has created an integration directly with X within its app. Mr S has highlighted that Monzo's marketing material says that auto exporting transactions is only available to users that subscribe to Monzo's additional account plans. He says this cannot be right because regulatory requirements introduced Open Banking, which means banks like Monzo are required to provide a data feed free of charge.

On 17 November 2024, Mr S contacted Monzo to raise a complaint. He said it wasn't fair to only include integrated accounting as part of a paid for account plan and it should be included in the free Lite account too.

On 22 November 2024 Monzo issued its final response. It said that Lite account customers can set up a connection between Monzo and X via Open Banking. Monzo said it could share extra details on how to set up a connection to Open Banking.

Mr S referred the complaint to us. Our Investigator looked into the matter but didn't recommend that it should be upheld. She explained she was unable to tell Monzo to change the features of its accounts and noted that Monzo had offered to share extra details on how to set up an Open Banking connection.

Mr S didn't agree. He said it was a regulatory requirement for Monzo to make this information available to X and it should be part of the Lite account which attracts no monthly subscription charge. Mr S provided an extract of a chat he'd had with Monzo where he was told he could only integrate G's transactions into the accountancy software with a paid for plan. He also provided a video of him following the instructions to try to link to X to show that Monzo's systems default to a paid for plan.

Whilst the complaint was waiting to be assigned to an Ombudsman, Mr S remained in touch with Monzo. On 9 January 2025 he spoke to an advisor on the phone who told him the integration was a paid for feature. On 3 February 2025 he spoke to a different advisor who tried to help him set it up step by step, but they encountered technical difficulties which the advisor took away to look into further. On 5 February 2025, Monzo's advisor suggested to Mr S that the integration would work free of charge if he selected a personal account rather than a business account.

Mr S contacted us to say he thought Monzo should refund all of the historical subscription payments G had paid because he'd only signed up as they'd given the impression it was required in order to integrate with the accountancy software. He said Monzo was misleading customers by not making it clear that it is possible to integrate with a free account. He also raised the inconvenience that had been caused in trying to sort this matter out.

My further investigation

When the complaint was referred to me, I contacted Mr S to ask if he'd been able to successfully connect G's payment account data to X. He confirmed that it did now work and highlighted the effort he'd had to put in to get to this point. He felt Monzo should be doing more to let customers know it is possible to integrate transactions into X's accounting software for free.

I also had further questions for Monzo. I asked the bank about all of the features that come as part of the Pro subscription to understand if G had ever benefitted from them. I also asked the bank to break down the timeline of its interactions with Mr S on this issue. Monzo said the first contact it had with Mr S about this issue was on 9 January 2025, but I highlighted that didn't seem to be correct as the bank issued its final response letter on 22 November 2024. I highlighted a further extract from a chat where Monzo told Mr S that the connection with X was for paid for subscribers only.

Monzo responded to say that the correct information had been provided in its final response letter and felt Mr S then needed to take proactive action to contact the bank if he wanted help setting up an Open Banking connection. Monzo said it was not going to offer any compensation because it considers it told Mr S what he needed to do to connect the same day he got in touch, 9 January 2025.

As both parties provided the additional information I required, I went on to consider the complaint. I issued my provisional decision last month setting out why I was minded to reach a different outcome to our Investigator. I've reproduced my provisional findings below:

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 am currently minded to say that Monzo should pay G compensation. As my proposed outcome does not go as far as Mr S is hoping for, but goes further than Monzo considers is appropriate, I have explained my position below.

Mr S is correct when he says that Open Banking meant that banks are obligated to provide a secure API (application programming interface) to enable data sharing with regulated third-party providers. He's also correct when he says that there is no charge to use Open Banking, however some firms that provide apps and websites may choose to charge for their products and services.

Monzo has made an Open Banking API available for integration by account information service providers such as X. Monzo has also designed functionality in its own mobile banking app to further streamline this integration process for account holders that subscribe. Whilst Monzo has always had an API available for third party providers to connect to, I can see why Mr S got the impression that the only way to integrate with X was by using a paid for subscription. I've seen two chats and heard a phone call where Monzo's employees tell Mr S that integration with accountancy software is a paid for feature.

Whilst Mr S has now been able to connect G's payment account data to X, he's concerned about other customers losing out because they don't know about Open Banking. But I'm not

a regulator and I'm not able to police Monzo's business practices.

That being said, the regulator has set clear expectations for a firm like Monzo. Customers can only make informed decisions about financial products and services if they have good information about them. Customers should be given enough information to evaluate their options and it should be made clear what the benefits and costs associated with those options are.

I accept Monzo's point that it has no control over X's functionality, so it is unable to change the need to click on the Monzo Personal option rather than the Monzo Business option for the integration to work with a Lite account. But Mr S has referred expressly to a page on Monzo's website, monzo.com/help/business-accounts/connect-to-xero. This page could give the impression that only business customers with a subscription can connect their business account to X. It doesn't explain that Monzo has built an integration with X into the Monzo app to save time for users that subscribe. It doesn't highlight that it is possible for all customers to allow account information service providers such as X to retrieve transaction data or create a bank feed in X where transactions are automatically imported into the accounting software.

Putting things right

G has used some of the other features and benefits of the Pro package in the time that it was active, such as invoice generation, so I cannot fairly say that Monzo must refund the subscription fees that G paid.

Mr S has explained that he feels Monzo are misleading customers. But I'm also only able to look at the specific circumstances of an individual complaint. I'm only able to consider whether Monzo has treated G fairly, I have no power to require Monzo to change its processes or the services it provides.

But I do think Monzo should have handled this situation better than it did. The final response letter told Mr S it could share extra details on how to set up an Open Banking connection to X, but it didn't say how or when that information would be provided to him. If Monzo required Mr S to get in touch, I think it should have said as much. In addition to this, when Mr S did contact the bank, Monzo's employees didn't seem to know about account information services or how they worked, resulting in Mr S being misinformed on at least three occasions. It still took around a month of liaison for Monzo to support Mr S in successfully setting up a data feed to X, and in the call recordings I've listened to, the issues are not resolved there and then, they have to be escalated for further support. For these reasons, I don't agree with Monzo's position that Mr S was informed what he needed to do on the same day that he made contact. Whilst Monzo has been responsive when Mr S made contact, he has had to do a lot of the running here to get to the bottom of the issue. Without his tenacity, I am not persuaded that the integration between G's Lite account and X's software would have been achieved.

G is a separate legal entity to Mr S. I can't compensate Mr S personally, nor can I pay G any compensation for any distress that Mr S has incurred personally. But I can make an award to reflect the inconvenience G has experienced when Mr S, as the sole director of G, had to repeatedly contact Monzo to follow this up, which diverted time away from running the business of G. Having carefully considered everything, I consider £150 compensation to be a fair reflection of the inconvenience that's been caused.

Monzo accepted my provisional findings and said it believed the proposed outcome to be fair and reasonable, but Mr S asked me to reconsider. He said he was looking to Monzo to refund all of the subscription payments plus interest as he received no benefit from the Pro

subscription outside of the integration with X. He said that the facility to issue an invoice was of no value to him at all and was something that he'd only used once or twice from the app. He said that he only subscribed because he'd been misinformed by Monzo on multiple occasions that he must do so, and he would never have done so if he didn't need to.

As both parties have now had the opportunity to consider my proposed outcome and have responded, I must now go on 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've thought carefully about the points that Mr S raised in response to my provisional decision and have reviewed the case afresh in light of them. Having done so, I remain satisfied that the outcome I've proposed is fair and reasonable.

Having looked at the evidence, I am unable to agree with Mr S's position. Monzo has provided evidence to show Mr S generated at least one invoice a month between March and November 2024, as well as evidence to show that he generated invoices back in November 2023. Monzo suggests that Mr S generated over 30 invoices during the time the subscription was active. From what I have seen, Mr S used the invoice generation feature regularly. Against this backdrop, it would be difficult for me to fairly conclude that Mr S didn't know enough about the features and benefits of the subscription to make an informed choice about whether what it offered overall was right for his company. I appreciate that with the benefit of hindsight, Mr S may now feel that the subscription package was poor value for money, and he now regrets agreeing to it. But that doesn't mean Monzo was acting incorrectly or unfairly by selling the subscription to G when it did.

In all the circumstances, and for the reasons set out in my provisional decision and reproduced above, I still consider £150 compensation to be a fair reflection of the inconvenience caused to G when Mr S had to follow up about how to integrate the data feed into X's account information services. I make no other order or award.

My final decision

My final decision is that Monzo Bank Ltd should pay £150 compensation to G if it has not already done so.

Under the rules of the Financial Ombudsman Service, I'm required to ask G to accept or reject my decision before 3 June 2025.

Claire Marsh
Ombudsman