

The complaint

Miss H complains about the service received from Monzo Bank Ltd (“Monzo”) following her reporting unrecognised transactions on her account. Miss H says due to Monzo’s errors and delays issuing replacement cards she was without access to the funds in her account resulting in her not being able to get to work.

What happened

On 10 February 2025 Miss H reported an unrecognised transaction on her account to Monzo. Monzo immediately blocked Miss H’s account and sent Miss H a replacement card and PIN. Unfortunately, Monzo followed the wrong process by sending a new PIN resulting in Miss H being unable to continue to use her card virtually.

Miss H says this resulted in her missing three days of work (12-14 February) and wages as she was unable to pay to put petrol in her car to travel to work. Miss H explained that she lives alone and had no other bank accounts or credit cards she could use and had to rely on her daughter to drive from her home to give her some money on 15 February before she could put petrol in the car.

To make matters worse there were delays in receiving the new card and PIN as Monzo sent these to the wrong address and so Miss H didn’t receive them until 21 February at which point Miss H activated the card immediately.

Miss H complained about all of this to Monzo. Monzo acknowledge its service fell below expected levels and compensated Miss H £110.

Miss H was unhappy with this and so brought her complaint to this service. Following this Monzo offered to compensate Miss H a further £100 which she again declined. Miss H wants to be compensated for her loss of wages (£330) and her daughter reimbursed for the petrol (£70).

One of our investigators looked into Miss H's concerns but as they hadn't seen any evidence of lost wages they weren't persuaded Monzo's actions prevented her from working.

Furthermore, Miss H's chat history with Monzo and credits showing on her bank statements showed she had access to other accounts and credit cards and so they thought it likely she did have access to other funds externally and so on this basis they thought the compensation of £210 in total for the distress and inconvenience suffered was a fair way to settle Miss H's complaint.

Miss H disagreed. Miss H explained that her credit cards were maxed out and although she admitted she did have another account she said it was a jointly held account with her ex-husband which she couldn't close and that it had a nil balance. Miss H says regardless of having a second account or not she wouldn't have been able to transfer her money over to it as she didn't have her PIN.

Miss H said she would send proof of her loss of earnings following receipt of her April payslip as she says her employer won't provide a letter confirming this and a bank statement showing a nil balance on her external account. Miss H has asked for an ombudsman's decision on the matter.

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.

My role is to look at the problems Miss H has experienced and see if Monzo has done anything wrong or treated her unfairly. If it has, I would seek – if possible - to put Miss H back in the position she would've been in if the mistakes hadn't happened. And I may award compensation that I think is fair and reasonable.

In this case there is no dispute that Monzo made some errors when Miss H reported unrecognised transactions on her account which led to delays in her receiving her new card and PIN and leaving her unable to access her account for longer than necessary.

My understanding is Miss H was without access to her account for around 11 days but fortunately Miss H's daughter was able to assist and give her some money on 15 February four days after the unrecognised transactions were reported to Monzo.

So what I have to decide is whether the £210 compensation offered by Monzo is a fair and reasonable amount of compensation for the distress and suffering Miss H endured as a result of its error. And I think it is.

I appreciate Miss H doesn't think this level of compensation is enough, and says as a result of not having access to her account she couldn't pay for petrol and travel to work resulting in three days of lost wages amounting to £330. Furthermore, she says her daughter had been put to some trouble to drive to out to her and pay for her petrol and the dog walker.

I sympathise with Miss H as not having access to one's main account is undoubtedly highly inconvenient. But it must be remembered the reason she didn't have access to her account was due to no fault of Monzo's as it did what I expected it to do in the circumstances and applied a block when unrecognised transactions were reported and so there was always going to be an element of inconvenience given the circumstances.

And although I appreciate the delays experienced in regaining access to her account were caused by Monzo's errors, I haven't seen any evidence that as a direct result of this that she

was unable to attend work or lost out on earnings despite Miss H saying she would provide this.

Furthermore, I don't accept that Miss H had no access to other funds as Miss H held another account externally which she confirmed in her own words that her pension was being paid into and her statements show she held credit cards. Furthermore, in her chat history with Monzo Miss H states that she was able to use her daughters account to make a payment she needed to make on 11 February. So although I accept Monzo's failings caused some distress and inconvenience for Miss H, I'm not persuaded she has suffered any direct financial loss due to this.

I accept that Miss H's daughter might have had to pay for some of her expenses temporarily like the dog walker and petrol. But these expenses would need to be paid by Miss H regardless of Monzo's actions and as Miss H's daughter isn't the eligible complainant, I can't look at compensating her personally for any inconvenience she suffered.

And so on that basis I think the £210 compensation offered in total by Monzo is a fair and reasonable way to settle Miss H's complaint for the distress and inconvenience caused to her. And as Monzo has already paid £110 compensation to Miss H it can deduct this from the £210 total leaving £100 to pay.

My final decision

For the reasons I've explained, I've decided that compensation of £210 in total offered by Monzo Bank Ltd to Miss H is a fair way to settle this complaint and direct Monzo to pay Miss H the £100 compensation outstanding.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss H to accept or reject my decision before 12 August 2025.

Caroline Davies
Ombudsman