

The complaint

Mr K complains Monzo Bank Ltd closed his account without providing an explanation.

What happened

The facts of the complaint are well known to both parties, so I will only provide a summary of the key points.

This complaint concerns Mr K's sole account that was opened in September 2020. In late 2024 Monzo started a review of Mr K's account. Following this review Monzo issued a notice to close letter to Mr K on 7 March 2025. This letter explained the account would close in line with the account terms and conditions and the account closed on 8 May 2025.

Mr K raised a formal complaint about Monzo's decision to end its relationship with Mr K, stating this decision had not been explained to him and was unfair. In its final response letter dated 24 March 2025 Monzo said that the account had been closed following a review, and a commercial decision was made to close the account. It highlighted to Mr K that the account terms and conditions allow it to do this, and that Mr K's account would function as normal until it closed in May 2025. It said it had acted fairly, and the outcome was right.

Mr K remained unhappy and referred his complaint to our service. An Investigator reviewed his concerns and found that Monzo had acted fairly. The account terms allow Monzo to close it in this way, and it doesn't need to provide Mr K with its reasons.

Mr K remained unhappy and maintained Monzo had acted unfairly. The case has been referred to me – an ombudsman – for 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 appreciate Mr K was disappointed by the investigator's opinion. I'd like to reassure Mr K that I've considered the whole file and what's he's said. But I'll concentrate my comments on what I think is relevant. If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. No discourtesy is intended by me in taking this approach.

I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from banks as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information Monzo has provided is information that we considered should be kept confidential. This means I haven't been able to share a lot of detail with Mr K, but I'd like to reassure him that I have considered everything that he's told us.

Monzo is strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They can broadly be summarised as a responsibility to protect persons from financial harm, and to prevent and detect financial crime. They're also required to carry out ongoing monitoring of new and existing relationships. In Mr K's case the review of the account by Monzo led to its ultimate decision to close Mr K's account.

The terms and conditions of Mr K's account set out that the bank can close the account by providing 60 days' notice. In certain circumstances, it can also close the account immediately. In this case Monzo provided Mr K with full notice, allowing him to continue to use it until the closure date. This meant Mr K was able to make alternative arrangements.

I can see Mr K used his Monzo account regularly and he feels the closure is unfair. As noted above, this service has received information in confidence, which I am unable to share with Mr K. I must also highlight that Monzo is entitled to set their own policies and part of that will form their risk criteria. It is not in my remit to say what policies or risk appetite Monzo should have in place. I can however, while considering the circumstances of individual complaints, decide whether I think customers have been treated fairly. As long as they reach their decisions fairly, it doesn't breach law or regulations and is in keeping with the terms and conditions of the account, then this service won't usually intervene.

Based on the evidence I've seen I am satisfied Monzo has closed Mr K's account for fair and proper reasons. I understand Mr K wants Monzo to explain the reason it closed his account. But Monzo is under no obligation to tell Mr K the reasons it no longer wants him as a customer as much as he'd like to know. So, I can't say it's done anything wrong by not giving Mr K this information. And it wouldn't be appropriate for me to require it do so.

I know this will not be the outcome Mr K was hoping for, and he will be disappointed with the decision I've reached. However, I hope it provides some clarity around why I won't be asking Monzo to take any further action or compensate Mr K.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 1 January 2026.

Chandni Green
Ombudsman