

The complaint

Mr S has complained that Monzo Bank Ltd carried out a hard credit check, without telling him it was going to do so.

What happened

Mr S applied for an overdraft on his Monzo account, and a 'hard' credit check was carried out, which is recorded on his credit file. He'd like it to be removed, as he's explained he wasn't advised this would happen.

One of our investigators looked into what had happened, but didn't uphold the complaint. He was satisfied that although Monzo hadn't expressly used the term 'hard credit search', it had advised a search would be carried out and would appear on his credit file.

Mr S asked that his complaint be passed to an ombudsman. He thought the term 'credit search' was too vague, and falls short of the regulator's clear, fair, and not misleading standard, and denied him the ability to give informed consent.

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'm not upholding it. I know this will be disappointing, but I'll explain why.

I've seen the screenshots that Mr S would have completed, and these show that it was stated a credit search will be carried out and it will leave a record on the applicant's credit history. The overdraft agreement itself also states 'This is a credit agreement for an arranged overdraft limit. Accepting it will let us carry out a credit search on you. This will leave a record in your credit history.' There was also a link that could be clicked on, to provide further information.

As Mr S agreed to enter into the agreement, the hard credit search was carried out. I'm satisfied that, although the term 'hard search' wasn't used, it was clear that Mr S's credit file would have the search recorded – and this is the effect of a hard search. So, he knew that there would be an impact on his credit file. So, I don't think that not using the term 'hard search' made any meaningful difference. Monzo said what would happen – and this is what did happen. If Mr S had concerns about his credit file, he did not need to proceed with taking out the overdraft.

My final decision

For the reasons given above, it's my final decision not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 2 February 2026.

Elspeth Wood
Ombudsman