

The complaint

Miss T complains that Monzo Bank Ltd (Monzo) failed to apply preventative measures to her bank account which allowed her to gamble over £3,000. As a resolution, she would like Monzo to take some responsibility by refunding the transactions.

What happened

For a number of years leading up to 2025, Miss T made gambling transactions, and whilst she did make contact with Monzo, it was mainly to dispute certain transactions. Realising she needed support, Miss T activated Monzo's gambling block facility however, certain transactions continued to be debited, therefore Miss T complained to Monzo.

Monzo investigated the matter and didn't uphold the complaint. They said their block has its limitations in that it could not guarantee that all merchants would be blocked. Manual blocks were applied by Monzo to certain merchants but Monzo ended their response by saying they could not reverse what had been debited already.

Unhappy with Monzo's response, Miss T brought her complaint to our service. Miss T said that Monzo were aware of her gambling struggles, that the block should have stopped the transactions, and Monzo should have identified Miss T's gambling activity.

After looking into the complaint, our investigator issued their view in which they did not uphold it. They said that the block could not cover all merchant transactions. And once Miss T realised that despite the block, transactions were still going through, she could have reached out to Monzo. Finally, Monzo would not generally identify gambling activity, and Monzo did all they could once Miss T informed them in April 2025.

Miss T disagreed with the outcome, stating Monzo knew about her vulnerabilities and did not abide by their duty of care, the block itself was inadequate and gave a false sense of security, and reiterated that the gambling transactions should have been picked up by Monzo's systems. Accordingly, Miss T requested an ombudsman review her complaint.

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 carefully considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint. I have looked at the information Monzo has supplied to see if it has acted within its terms and conditions and to see if it has treated Miss T fairly.

I do want to thank Miss T for all the supporting information and testimony she has supplied, and would like to assure her that I recognise her strength of feeling here.

I do sympathise with Miss T for the issues she has faced and the consequences of the gambling issues. It's our role to identify if a business has made a mistake and if so, look at the impact this has had on the consumer. Our service makes decisions on the facts and evidence available, weighing up what's happened, fairly and impartially.

Although I may not mention every point Miss T has made, I'd like to reassure her I've considered them throughout my investigation. I've focused on the main points relevant to my outcome.

Firstly, in terms of Miss T's concern that Monzo should have picked up on the transactions that Miss T was making, most banks don't manually monitor accounts or have a mechanism to spot gambling activity beyond identifying debit card payments made to gambling merchants through standardised codes. As explained by our investigator, this in itself is not a fool proof safeguard as merchants don't always use the correct code. In most cases a bank is only likely to become aware of a customer having a gambling problem if it is alerted for another reason. Typically, this is because the pattern of spending has triggered fraud detection algorithms or there are signs of financial difficulty on the account that cause the bank to investigate further such as an unplanned overdraft, returned payments or missing expected repayments. And from what I've seen, Monzo weren't presented with any such activity.

Regarding the block itself which Miss T considers to be inadequate and that it gave her a false sense of security, the block is applied and maintained by the customer, so I would expect that Miss T would familiarise herself with its abilities and restrictions at the time. I acknowledge Miss T's feeling that the expectation for her to have reached out in view of her circumstances was unrealistic, but I do believe it's reasonable to expect someone who navigated Monzo's app pages and proceeded to apply a gambling block, could also have researched that block.

Staying with the block, Miss T has said that gambling blocks with other banks have been more effective than Monzo's. But I can't comment on the gambling policies of other institutions, plus if Miss T felt this way about Monzo's facility, she could have questioned this with Monzo who I would expect to have explained the other actions that could be taken.

Closing my thoughts around the block, I won't spend any time explaining about Gambling Merchant Codes as I'm satisfied that the investigator provided sufficient information within their view.

To Miss T's final point around Monzo being aware of her vulnerabilities and them not showing a duty of care. I've already covered the monitoring of banks including Monzo but regarding what Monzo knew about Miss T's circumstances, I note that other than raising transaction disputes with Monzo over the years, it was not until April 2025 when Monzo was provided with all the information they needed to support Miss T. and I'm glad to see that Monzo acted so thoroughly in response to this.

I'm pleased to see Miss T has commented that she has since taken responsible steps to improve her financial safety and I hope this remains the case. I know Miss T will be disappointed with my decision but in conclusion, for the reasons given above, including the fact that Monzo's gambling block worked successfully, I cannot reasonably ask Monzo to do any more.

My final decision

For the reasons I have given it is my final decision that the complaint is not upheld.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss T to accept or reject my decision before 20 October 2025.

Chris Blamires
Ombudsman