

The complaint

Miss B complains that Monzo Bank Ltd wrongly gave her notice that it was closing her account and that it required her to repay credit card debt.

What happened

At the relevant time, Miss B held an account with Monzo. On 1 June 2025 it gave her notice that it would be closing her account on 2 August 2025. Because of that, it also required her to repay a credit card debt within the same timeframe.

Miss B contacted Monzo to complain about its decision. She explained that, because of her health issues, its actions had caused her significant distress and worry. She felt that it had not made reasonable adjustments as relevant legislation required.

Monzo reviewed the position. On 11 June 2025 it contacted Miss B to say that it had sent the closure notice in error. It would not, after all, be closing her account and did not require repayment of the credit card debt in the short period it had indicated. It offered Miss B £180 by way of compensation. Miss B did not accept the bank's offer and referred the matter to this service.

One of our investigators considered what had happened. He took the view that Monzo had not properly taken Miss B's requirements into account and recommended that it increase its offer of compensation to £400. Monzo accepted that recommendation, but Miss B did not. She said the award should be higher and referred amongst other things, to current "Vento" bands, the Equality Act 2010 and some awards published on our website. She asked that an ombudsman review the case.

Since Miss B referred this complaint to us, Monzo has issued a further closure notice. The investigator did not comment on that, however, and neither will I.

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.

Miss B has asked for a detailed response to the points she has made. However, this service was set up by parliament as an informal dispute resolution service; in keeping with that remit, therefore, I will not comment on every point she has made. I do not mean any discourtesy by that, and I can assure both parties that I have considered carefully everything they have said.

Monzo has accepted that it made a mistake in giving Miss B notice that it was closing her account. It did so relatively quickly – within ten days. It apologised and offered compensation. And Miss B's account was not restricted in the meantime.

The investigator took those matters into account, but he also considered what Miss B had said about her health issues and how they affected her response to the erroneous closure notice. As a result he asked Monzo to increase its offer, which it agreed to do.

Whilst I note what Miss B has said about the investigator's recommendation, I believe payment of £400 would be a fair and reasonable resolution of her complaint. It is in line with the guidance on our website and with other awards made in similar cases. I accept that Miss B has identified higher awards, but there are many published decisions where awards for non-financial loss have been lower. I note too what she has said about Vento bands – which guide the courts on appropriate awards for injury to feeling in employment claims. It may be that a court would make a different award, but this service is not bound to follow what a court might decide.

In my view, the investigator's recommendation – and Monzo's resulting offer – is a fair and reasonable way to resolve Miss B's complaint. In my view it fairly takes into account any additional distress she may have experienced as a result of her health conditions. I will however make a formal award, so that Miss B can enforce it, should she need to do so.

My final decision

For these reasons, my final decision is that, to resolve Miss B's complaint in full, Monzo Bank Ltd should pay her £400.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 8 October 2025.

Mike Ingram
Ombudsman