

The complaint

Mr M has complained that Monzo Bank Ltd (“Monzo”) stopped a payment and placed a block on his account.

Mr M is unhappy with the level of service he received from Monzo when he tried to get the payment unblocked.

What happened

Mr M attempted to make a payment for £9,000 on 2 July 2025 to pay for building work, but Monzo blocked the payment due to concerns that the payment could be linked to a scam.

Following this Mr M was in contact with Monzo over the phone a number of times. Mr M was also in contact with Monzo using its webchat service, and Mr M was unhappy with the lack of response and the amount of time it was taking to resolve matters.

Monzo subsequently removed the block on the morning of 3 July 2025 and the payment was then allowed to be made.

Following Mr M raising his complaint, Monzo upheld parts of Mr M’s complaint and paid Mr M £30 to apologise for the phone line being cut on a couple of the calls.

After Mr M referred his complaint to this service, one of our investigators assessed the complaint and they didn’t think that Monzo needed to do anything further in relation to the complaint.

As Mr M didn’t accept the investigators’ conclusions, the matter was referred for an ombudsman’s 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.

Having considered everything, I don’t uphold this complaint for broadly the same reasons that the investigator gave. I will explain why.

I appreciate that being unable to pay money for building work was very frustrating for Mr M. And in broad terms, the starting position is a bank is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer’s account.

But, taking into account relevant law, regulators’ rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, Monzo was also required to:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;
- have had systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud. This is particularly so given the increase in sophisticated fraud and scams in recent years, which firms are generally

more familiar with than the average customer;

- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment;

In addition to the above, Monzo's terms and conditions say that Monzo can delay or block a transaction if it suspects that Mr M didn't authorise the payment or if the payment is connected to a scam or fraud. Specifically, they say:

“Sometimes we'll take longer to make payments

If we think you might be a victim of fraud, we may take longer to process your payment while we look into it. If that happens, we'll let you know. And if we believe there's fraud taking place on your account, we may have to stop making the payment.”

So given all of the above, Monzo is able to block a payment, if it has suspicions that a payment could be connected to a scam or fraud. This can happen because, amongst a number of other reasons, a payment is particularly large or inconsistent with how an account may've been operated previously. As scams can often occur where multiple payments are made to the same payee – that means that a block may be applied to a transaction, even if payments have been made to the same payee before. And that is what happened here. Monzo's fraud detection systems identified the payment as possibly being an Authorised Push Payment scam and therefore placed a block on Mr M's account and referred the payment for a manual review by its fraud team.

Mr M has said that Monzo failed to explain why the payment was blocked and he was unhappy with the customer service he received. But I note on the second call Mr M made to Monzo on 2 July 2025, it was confirmed that it had been blocked due to concerns Mr M was being scammed. Due to Mr M being unhappy with how long the payment had been blocked, the member of staff did reach out to Monzo's fraud team and ask for the fraud block review to be escalated, so Mr M could make the payment.

It's clear that Mr M is very unhappy with how long Monzo took to remove the block. Mr M called Monzo a number of times on 2 July 2025, to ask that the block be removed. Monzo has provided evidence that the payment was referred for a manual review. This unfortunately meant that the decision to remove the block was not automated and required a member of staff in Monzo's fraud team to be available to review the payment, to decide on whether the block should be removed or not.

In this case, Monzo tried to call Mr M on the evening of 2 July 2025 i.e. the same day the payment was blocked, to discuss the blocked transaction. Unfortunately, Mr M was unable to take the call at the time. On the following morning Mr M contacted Monzo again and a call back was arranged for before noon.

Monzo's fraud team did then call Mr M at just before 10am and asked Mr M questions about the nature of the payment. Mr M was exasperated about the questions being asked. But the questions being asked are typical questions that are asked when a financial business is carrying out a fraud block check. So I can't say that Monzo was being unfair or unreasonable in asking the questions, even though Mr M clearly thought the questions being asked were

pointless. However, the member of staff was unable to complete their questions as Mr M was rude to the member of staff – to the extent that the member of staff was in tears and ended the call. Following this, I note that the block was subsequently removed and the payment was successfully made at 11.07am.

Overall, whilst this matter was clearly frustrating for Mr M, I'm satisfied that the payment was blocked as Monzo was (trying to) act in his best interests – although I appreciate that Mr M very much doesn't see it that way. I'm also satisfied that Monzo had taken reasonable steps to contact Mr M about the payment and the block was removed within a reasonable time frame. And although Mr M says that Monzo's actions represent a breach of the Financial Conduct Authority's rules, on the contrary, I'm satisfied that Monzo carried out the block *because of the FCA's rules*, requiring financial businesses to, where possible, protect consumers from foreseeable harm.

As well as being unhappy with the payment being blocked, I can see that Mr M is also unhappy that the line was cut a number of times when he was speaking to Monzo about the payment. On some of the calls, the calls were ended as the members of staff told Mr M that they found his behaviour towards them as unacceptable. And I note during the first two calls Mr M made, the line was cut without any warning.

Nevertheless, I think paying Mr M £30 to apologise for the inconvenience caused by the line being cut on the first two calls is fair. I say this because, although the line was prematurely cut before the conversation had ended, Mr M was made aware during the second call why the payment had been blocked and that a specialist team was looking into it. And Mr M was able to speak with Monzo (a number of times) throughout the day. In terms of some of the subsequent calls being ended by staff, I appreciate that Mr M was deeply frustrated by not being able to make the payment when he wanted to. And I appreciate that he had builders waiting for the money, which he said needed to be paid by 3 July 2025, so there was an element of urgency in getting the block removed. But in my view, his behaviour towards Monzo staff was, at times, unreasonable, and so I think the members of staff had good reason to end the calls with him when they did.

Mr M has said he's unhappy with how long it took for members of staff to respond to him on the webchat via the app. And, as the investigator has already acknowledged, it took around 12 hours for Monzo to respond to Mr M via the webchat. So I agree with Mr M that there was quite a period of time in which he didn't receive a response via webchat. But in that time, Mr M was in contact with Monzo over the phone and was able to speak to members of staff about his concerns. So again, whilst it was clearly frustrating for Mr M, I can't say that he was unable to contact Monzo as and when he wanted to, despite him not receiving a response on the app for some time.

Mr M has explained that he's unhappy that he couldn't speak directly with the specific team that reviews payments. Whereas Monzo has explained that the team that reviews payments does not typically accept inbound calls from customers. This is not necessarily unusual, because if such a team did have to deal with inbound calls from customers, then this could potentially slow down the process of reviewing and releasing any blocks its systems have placed on suspicious payments. But as outlined above, I can see that the fraud team did try and contact Mr M around 9pm on 2 July 2025 and again, just before 10am the next day, so I think it took reasonable steps to contact him within a reasonable amount of time of the block being placed.

As such, whilst I recognise that Mr M will be dissatisfied by this decision, overall, I don't think Monzo needs to do anything further in relation to this complaint.

My final decision

Because of the reasons given above, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 6 January 2026.

Thomas White
Ombudsman