

The complaint

Mr F complains about the way Monzo Bank Limited treated him when he enquired about opening a stocks and shares ISA with them.

What happened

On 20 November 2024, Mr F made an enquiry to Monzo using their online chat system about how many Investment Pots he could save into. At that time, Monzo were offering Investment Pots that varied from low to high risk within an ISA; these had a minimum investment amount of £1.

Mr F was unhappy with the chat response he received; he considered the responder as very arrogant and offensive because they said he was ineligible for the Investment Pots.

Shortly afterwards, Mr F decided to formally complain to Monzo. In summary, he said:

- He wasn't happy about Monzo's chat service and having to wait to find out information.
- He was unhappy with the way that his product query had been handled.
- He felt that he'd been discriminated against.

After reviewing Mr F's complaint, Monzo concluded they were satisfied they'd done nothing wrong. And, on 5 June 2025, Mr F was able to open a stocks and shares ISA for £1 without any issues.

Mr F was unhappy with Monzo's response, so he referred his complaint to this service. In summary, he said he was unhappy about the way Monzo had dealt with his original enquiry about opening an Investment Pot. In order to resolve his complaint, Mr F told us that he wanted Monzo to:

- Acknowledge gross misconduct regarding the response from their staff and apologise about the way he was treated.
- Acknowledge that their system has problems as it cannot establish people's ability to invest.

The complaint was then considered by one of our Investigators. He concluded that Monzo hadn't treated Mr F unfairly. He also said, in summary:

- Having considered the record of the online chat from the time, he wasn't persuaded that the Monzo agent's response was arrogant or offensive.
- Based on the message sent to Mr F, it appears his ineligibility was likely due to financial difficulties.

- Monzo's actions only caused Mr F a minor inconvenience and he didn't think that an award for distress and inconvenience was appropriate.

Mr F however, disagreed with our Investigator's findings. In summary, he said:

- "The agent did provide some relevant information in their response but they didn't at all go "above and beyond" to help me.
- They didn't have and will not ever have enough information on their hand or end to be anywhere near that position of deeming someone ineligible and shutting or slamming doors shut on someone like that. There can always be 'a lack of information or evidence to show that a person might be able to afford an investment' but there can never be enough evidence to ever have a response like this agent did.
- I need to affirm and reiterate that when I opened the pot later I was in exactly the same position financially as at the time of the enquiry. The Monzo response of not having or providing the information to you pertaining to November 2024 is an attempt to not provide information so as to avoid any liability for their misconduct or actions.
- I had no real financial difficulty and that I was in the same position at both points in time when I was able to open the pot for £1 a month. In case any considerations should be made in terms of me being employed, I was not unemployed, I am in receipt of funds due to limited capacity/disability. This is different from being unemployed or in any sort of financial difficulty.
- I do not have any debts and there is no reason why I would be told that I would've been ineligible for these pots even if they went over and above to check about such things, though, I must affirm that banks aren't in such a position to do so, there should never be enough of evidence for them to come to such a conclusion.
- At worst it could only really be that they don't have enough evidence to qualify me as eligible and therefore they could ask if I could provide more supporting documents or any such necessary bits, but they cannot themselves shut the door closed endedly the way they did; and in any case I was not ineligible, I was very much eligible to open the pots I was enquiring about and the whole correspondence of them telling me in the manner they did that I was ineligible was inappropriate and not based on the truth or the facts.
- Monzo said sorry but not about their wrongdoing, rather they have said "sorry you weren't happy about the response" and went on to say that there wasn't anything wrong they did and said that 'they went over and above to check eligibility'. But this whole thing was wrong. I was first of all not ineligible, and 2nd of all they had no right to close endedly respond and make me feel devalued, undesirable or worthless as a customer or client of theirs or a human being.
- Even if I were in any sort of financial difficulty or whatever their criteria they looked for to come to their conclusion, there was no transparency whatsoever about the matter and it was no way for them to behave as such. They could have and they do have the duty and responsibility to treat people with dignity and transparency and they didn't fulfil this duty.
- Monzo could've specified why it is or what the basis of them saying I was ineligible was for but they didn't and they therefore did not behave the way they ought to and this was a breach and a shame for a institution of banking or finance. It very much by all common sense has been out of hand and they need to be corrected about the matter, I do not believe I am being unreasonable at all."

Our Investigator was not persuaded to change his view as he didn't believe Mr F had presented any new arguments he'd not already considered or responded to. Unhappy with that outcome, Mr F then asked the Investigator to pass the case to an Ombudsman for a 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 have summarised this complaint in less detail than Mr F has done and I've done so using my own words. The purpose of my decision isn't to address every single point raised by all of the parties involved. If there's something I've not mentioned, it isn't because I've ignored it - I haven't. I'm satisfied that I don't need to comment on every individual argument to be able to reach what I think is the right outcome. No discourtesy is intended by this; our rules allow me to do this and it simply reflects the informal nature of our service as a free alternative to the courts.

My role is to consider the evidence presented by Mr F and Monzo in order to reach what I think is an independent, fair and reasonable decision based on the facts of the case. In deciding what's fair and reasonable, I must consider the relevant law, regulation and best industry practice. Where there's conflicting information about what happened and gaps in what we know, my role is to weigh up the evidence we do have, but it is for me to decide, based on the available information that I've been given, what's more likely than not to have happened. And, having done so, I'm not upholding Mr F's complaint - I'll explain why below.

I can well understand Mr F's disappointment at not initially being able to open the investment pot he wanted. However, for me to be able to uphold his complaint, I'd need to be satisfied that Monzo had done something wrong, but that hurdle hasn't been met.

Monzo is perfectly entitled as a business to set the eligibility criteria they wish before allowing a consumer to take out one of their products. In fact, the regulator, the Financial Conduct Authority (FCA), who oversees businesses like Monzo, require them to establish their target market, and that includes formulating the criteria that determines which customers they're able to help. Monzo's terms and conditions set out the criteria that customers must meet to take out one of their investment offerings, consumers need to be 18 or older, resident in the UK, not be subject to taxes in a jurisdiction which creates tax reporting obligations for Monzo, other than the UK (like the United States of America) and have a Monzo current account. Monzo also say that *"Our Investment Services aren't right for customers who are in financial difficulties. We'll ask you questions to determine whether you're in financial difficulties when you apply"*.

Monzo have explained that the eligibility for an investment is displayed on their customers' Investments tab within their internal system, but unfortunately, they were unable to provide what would have been displayed on 20 November 2024 when Mr F originally went to take an investment out. However, based on the message that was sent to Mr F at the time, they think his ineligibility was likely due to financial difficulties. Even though Mr F says that he wasn't in financial difficulties, I well suspect that had Monzo been able to offer him an investment account at the time (based on him meeting the criteria), they would've more likely than not set an account up for him and where an application met the criteria, I would expect Monzo to proceed. Here, the contemporaneous message indicates Mr F did not meet the criteria at the time, which aligns with the firm's approach to applications from customers

considered to be in financial difficulties. On that basis, I do not conclude Monzo acted improperly in declining the application then.

Having carefully looked at the online chat history from November 2024 that Monzo have provided this service, I can't conclude that their customer service agent was anything but courteous to Mr F. The agent quickly identified what Mr F's concern related to, signposted relevant information and politely answered his queries. Whilst Monzo offer the 24 hour chat service, answers aren't always available immediately, that's because operatives often need to go away and source information to address queries. I didn't find the agent's tone arrogant or offensive at all.

Whilst Mr F said in his original complaint to Monzo that he felt he had been discriminated against, he didn't raise that specific allegation when he brought his complaint to this service. Even if he had done so, it's important to explain that allegations of unlawful discrimination fall within the jurisdiction of the courts. Our role is limited to considering whether the business acted fairly and reasonably in the circumstances, based on the evidence available. We aren't able to determine whether discrimination, in the legal sense, has occurred. In this case, having reviewed the interactions between Mr F and Monzo, I haven't seen evidence that the firm treated him unfairly in the way it handled his enquiry or subsequent complaint.

I recognise Mr F's point that he was accepted in June 2025 and says he was in the same position as in November 2024. A later acceptance does not, by itself, show the earlier outcome was wrong. Eligibility can depend on time-sensitive checks and internal flags which may change or be reassessed. So, while I understand why this feels inconsistent to Mr F, it does not persuade me that Monzo acted unfairly in November 2024.

As I've not been able to conclude that Monzo have done anything wrong, it therefore follows that I'm not upholding Mr F's complaint.

My final decision

I'm not upholding Mr F's complaint and as such, I won't be instructing Monzo Bank Limited to take any further action.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 4 March 2026.

Simon Fox
Ombudsman