

## **The complaint**

Mr G complains that Monzo Bank Ltd ('Monzo') closed his account without explanation.

## **What happened**

Mr G had a current account with Monzo. In March 2025, Monzo contacted Mr G to confirm it had decided to close his account, without providing notice and in line with the account terms and conditions.

Mr G got in touch with Monzo because he wanted to know why it had decided to close the account and a complaint was raised about the matter.

Monzo issued its final response to the complaint in March 2025, stating that it had made a commercial decision to close the account, in accordance with the account terms and couldn't provide any additional details about its decision to Mr G.

Mr G referred his complaint to our service. One of our Investigators looked into things and didn't uphold the complaint. In summary, they said:

- In the same way that a customer could choose to change its account provider without providing a reason, Monzo was entitled to decide who it wanted to have as a customer and on what terms
- We'd asked Monzo to provide evidence in order to explain its reason for closing Mr G's account
- The evidence Monzo provided was reviewed and based on this, Monzo had acted in line with the account terms when closing the account
- Mr G was a director of a company and Monzo had closed the company's business account, so Monzo had also taken the decision to close Mr G's personal account

Mr G disagreed. In short, he said:

- There was an imbalance between the power banks have to close accounts, in comparison to a customer and the choice they have to bank elsewhere.
- Customers are more vulnerable due to this and Mr G referred to laws and principles he considered should be taken into account when reviewing the actions Monzo took
- Mr G explained that he was in the process of moving house when Monzo closed his account and it was difficult for him to open a new account due to his circumstances at the time

As no agreement could be reached, the matter has been passed to me to decide.

## **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.

Monzo is entitled to end its relationship with a customer, as long as this is done fairly, doesn't breach law or regulations and is in line with the terms and conditions. Each bank has its own criteria and risk assessment for deciding whether to continue providing accounts. Providing an account to a customer is a commercial decision that a bank is entitled to take. That's because it has the commercial freedom to decide who it wants as a customer. And unless there's a good reason to do so, this service won't usually say that a bank must keep a customer. But they shouldn't close an account without proper reason, for instance of unfair bias or unlawful discrimination and they must treat customers fairly.

The terms and conditions of the account, which Mr G and Monzo had to comply with, say that it can close the account by giving him two months' notice. And in certain circumstances it can close an account immediately or with less notice. Monzo closed Mr G's account with immediate effect and has explained and given me information to show why it closed Mr G's account in this way. Having carefully considered this, I'm satisfied Monzo took this action in line with the obligations it must adhere to.

I'm aware Mr G would like a detailed explanation as to why Monzo closed his account. But Monzo isn't under any obligation to provide this. I would add too that our rules allow us to receive evidence in confidence. We may treat evidence from regulated businesses as confidential for a number of reasons – for example, if it contains security information, or commercially sensitive information. Some of the information Monzo has provided is information we consider should be kept confidential. Having carefully considered this information, I'm satisfied Monzo acted appropriately and in keeping with its regulatory duties.

I've considered Mr G's comments regarding Monzo's actions and the significant discretion banks hold in choosing whom to offer accounts to. I must highlight that when reviewing complaints this service considers a wide range of sources – this includes the law, regulatory guidance and good industry practice. I can assure Mr G that our approach to cases of this nature factors in these various sources and issues. Taking all of this into consideration I am satisfied Monzo has acted appropriately in the specific circumstances of Mr G's case - so I won't be directing Monzo to do anything to put things right.

In addition, it is the role of the Financial Ombudsman Service is to resolve individual complaints and to award redress where appropriate. We do not perform the role of the industry regulator, and it is not our role to comment on how businesses conduct their operations. That's the role of the regulator, the Financial Conduct Authority (FCA).

Mr G has explained that Monzo's decision to close his account caused him significant distress and inconvenience. I do appreciate this matter would've caused Mr G difficulty, especially given his personal circumstances at the time. But based on the information I've seen and the account terms I consider Monzo acted fairly in the circumstances of this complaint.

## **My final decision**

For the reasons above, I have decided to not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr G to accept or reject my decision before 5 January 2026.

Khadijah Nakhuda  
**Ombudsman**