

## **The complaint**

Mr A complains Monzo Bank Ltd (“Monzo”) restricted and later closed his accounts and did so without explanation. Mr A is also unhappy that Monzo made unreasonable requests for documents, which he didn’t have, to verify his address.

Mr A says Monzo’s actions have caused him significant distress, inconvenience and adverse credit. To put things right, Mr A wants £600 compensation plus 4% interest.

## **What happened**

The details of this complaint are well known by both parties, so I won’t repeat them again here. Instead, I’ll focus on giving my reasons for my 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 done so, I have decided not to uphold this complaint. I’ll explain why.

Banks in the UK, like Monzo, are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They are also required to carry out ongoing monitoring of an existing business relationship. That sometimes means Monzo needs to restrict, or in some cases go as far as closing, customers’ accounts.

Monzo has explained and provided this service with supporting evidence as to why it restricted Mr A’s accounts. Having carefully considered this, I am satisfied Monzo acted in line with its obligations. I have also looked at whether Monzo caused an unreasonable delay here and whether the information it was asking Mr A to provide was equally unreasonable.

I’m satisfied Monzo didn’t improperly cause delay. I’m also satisfied the information it was asking Mr A to provide was fair given the concerns it held. I know Mr A would like more information about this, but Monzo is under no obligation to provide a detailed explanation.

Monzo is entitled to close an account just as a customer may close an account with it. But before Monzo closes an account, it must do so in a way, which complies with the terms and conditions of the account. The terms and conditions of the accounts, which Monzo and Mr A had to comply with, say that it could close the account by giving him at least two months’ notice. And in certain circumstances it can close an account immediately or with less notice.

Monzo gave Mr A two months’ notice, and I note the accounts weren’t restricted during that period. That would have allowed Mr A to move his banking services to another provider without substantive inconvenience. Monzo has explained and provided me with evidence as to why it made this decision to close the accounts. I’m satisfied it acted in line with the terms of the accounts in doing so. Monzo is under no obligation to provide Mr A with a detailed explanation as to why it closed his accounts in the way it did.

I note what Mr A has said about the distress, inconvenience, and credit file impact he has

sustained. I have also seen his submissions about the counselling services he has had to pay for because of what has happened and the charges he's incurred from his landlord. But as I don't think Monzo has done anything wrong, I see no basis in which to direct it to pay Mr A any compensation.

### **My final decision**

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

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

Ketan Nagla  
**Ombudsman**