

## **The complaint**

Mr O complains Monzo Bank Ltd didn't intervene when he started spending compulsively.

## **What happened**

Mr O had a downturn in his mental health, and having not gambled for some considerable time, he began to spend compulsively on his Monzo account.

Mr O deposited a lot of money with Monzo and says, over eight weeks, he deposited £100,000 into gambling accounts. Mr O thought Monzo should have intervened in his spending, it was out of character for his account.

Mr O complained to Monzo and it said its systems weren't designed to block authorised transactions, and its primary function was to allow authorised payments to debit.

Monzo said it sent an automated outreach message, but Mr O dismissed this so Monzo couldn't offer support. Monzo said there was now a gambling block on Mr O's account.

Unhappy with this response, Mr O brought his complaint to this service. Monzo sent its submissions and felt it should have intervened sooner.

Monzo said any intervention email was after it had reviewed Mr O's account, and saw the gambling transactions, so it offered to refund £28,012 of the gambling transactions Mr O made. Monzo also said it would pay 8% interest on the transactions.

An investigator looked into things and thought Monzo's offer was fair. The investigator thought an earlier intervention wouldn't have made a difference as Mr O wasn't only spending on his card, but also sending faster payments.

And the investigator said Mr O's compulsion to spend was deep, so they couldn't say for sure any earlier intervention would have stopped Mr O spending compulsively.

Mr O disagreed and felt an earlier intervention would have made a difference. Mr O felt an earlier date, 23 August 2025, should have been the date Monzo stepped in. Mr O says, looking back, he's sure he would have reacted to a message about his spending.

Mr O said an earlier intervention would have limited the spending he carried out, and a larger payment from Monzo would have a significant, positive impact on him and his family's life. Mr O asked for an ombudsman to decide things.

## **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.

Looking at Mr O's Monzo statements, he started to make payments to gambling companies

on 19 August 2025, but these were relatively small amounts and not many payments.

On 23 August 2025 there was a marked increase in the amounts of the individual payments and the volume of payments. This pattern continued through to 1 October 2025, when Mr O says he got help for his compulsion and added GAMSTOP.

Monzo says Mr O approached it for an overdraft and it was declined on 2 September 2025. Monzo says the reason for declining the overdraft was the volume of gambling transactions going through Mr O's account.

Monzo says it should have intervened at this point, and I agree. Monzo could see Mr O was spending compulsively, and it should have reached out to offer a gambling block, perhaps block individual merchants and direct Mr O to practical support, like GAMSTOP.

Monzo's offer is to refund Mr O's net losses, his spending at gambling sites less any payments back into his account from these companies, starting at the point Monzo declined Mr O's overdraft.

I think this is a very fair offer.

I've listened to the call Mr O had with our investigator, after they'd sent their assessment, and can hear how passionately Mr O feels about what happened.

But, like the investigator, it's difficult for me to decide an earlier intervention would have made the difference Mr O thinks it could have.

It's clear Mr O had a compulsion to spend at this time, and it's clear this compulsion was quite intense, Mr O was spending relatively large individual amounts and often.

I think if Monzo had intervened earlier, soon after Mr O began spending a lot, I don't think this would have stopped Mr O spending compulsively. Had Monzo intervened it would likely have offered the card block and perhaps block some individual merchants.

But Mr O was spending on his card, and faster payments were leaving his account to credit gambling companies. A card block wouldn't have stopped the faster payments and wouldn't have stopped payments to overseas gambling companies.

I think it's more likely Mr O would have found other ways to spend compulsively, circumventing any card blocks or finding new companies to send faster payments to, had Monzo intervened sooner than 2 September.

I think it's also possible had Monzo intervened on 2 September Mr O might well have found another way to spend after any intervention, but since Monzo's made its offer, I'm not looking further at this point.

Mr O said, in his call with the investigator, no one can know what might have happened, and I agree. It's very difficult to know how Mr O would have reacted to an earlier intervention, but I think, on balance, he'd have continued to spend.

Just looking at the volume of transactions through the end of August and through all of September, I don't think Mr O could or would have simply stopped spending. And Mr O's mental health was clearly very poor at this point, he says he wasn't thinking straight.

I realise how hard things were for Mr O when he was spending compulsively, and I absolutely understand why he wants to do the right thing for his family now.

But for me to decide Monzo needs to refund more of Mr O's spending, I'd have to be more certain than not Mr O would have stopped spending following an intervention sooner than 2 September 2025.

But I don't think I can safely make that decision.

I'm glad to see Mr O's been able to stop spending compulsively and I really hope this continues, and I hope Mr O's able to get some help and support going forward.

I think Monzo is right to say it should have intervened when it declined Mr O's overdraft, and Monzo thinks an intervention could have stopped Mr O spending.

Because of this, I think the offer Monzo's made is very fair, and I don't think it needs to do more to resolve things for Mr O.

### **My final decision**

My final decision is I uphold this complaint and Monzo Bank Ltd must pay Mr O £28,012 and 8% interest on the individual payments until the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 29 April 2026.

Chris Russ  
**Ombudsman**