

## **The complaint**

Mr M complains that Monzo Bank Ltd failed to give him adequate support following his disclosure to it of his gambling addiction, resulting in his making a large number of gambling payments after being coerced to do so.

## **What happened**

Mr M initially contacted Monzo through his online chat in November 2023 advising about his gambling addiction. A Monzo adviser told him on the chat what options were available to him. Subsequently on 4 June 2025 he made further contact about this. At that stage he wanted to dispute a number of payments he'd made to online gaming. He explained that he was struggling with his gambling addiction. He was due to receive a substantial payment on termination of employment and was concerned about future harm given his history of addiction.

In particular he asked for advice about gambling blocks, card controls, or spending limits on his account, and options for ringfencing or protecting incoming funds.

Monzo offered support and gave him advice about spending blocks, savings pots and extra safeguards such as spending limits. Later it gave further advice about applying merchant blocks for particular merchants.

Unfortunately Mr M had a relapse, and because he says, of romantic coercion, spent over £20,000 in gambling transactions in July and August 2025.

He made a complaint to Monzo as he believed it had failed in its duty of care following his disclosure to it of his vulnerabilities and that it should've noticed the unusual pattern of spending.

Monzo explained that it could not address the issue as a scam because there was insufficient evidence of this. And that the payments were made to unregulated overseas websites so would not have been flagged to it. It paid Mr M £25 compensation because of a delay in answering his complaint.

Subsequently after Mr M had complained to the Financial Ombudsman Service, Monzo paid £30 compensation saying that its wellbeing team had fallen short in trying to speak with Mr M as it had taken longer than it wanted to do so.

Our Investigator didn't find that Monzo acted outside of the requirements and the terms and conditions of the account, or that it treated Mr M unfairly.

Mr M didn't agree. In particular he felt that having disclosed his addiction and mental health difficulties, it was fair to question whether additional safeguarding, escalation, or intervention should reasonably have been considered once this pattern emerged.

He further explained that because of his mental health problems he had difficulty in taking proactive steps in respect of his account block or to prevent further payments.

The matter has been referred to me for an Ombudsman's consideration

### **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.

Mr M has raised a number of points and although I may not mention every point raised, I've considered everything he has said. Though my decision focuses on the issues at the heart of the complaint and key to my findings. I don't intend any discourtesy by this. It just reflects the informal nature of our Service.

In respect first of all of Mr M telling Monzo that he'd been scammed/coerced into making the gambling payments, I've noted that unfortunately he was only able to provide very limited evidence of this. The payments were made to gambling websites and there was no available evidence that the scammer had sought to benefit from them. And a chargeback could only be made to the merchant, but as there was no fraud on the merchant's part this option wasn't available. So I can't say that Monzo should have provided any redress in respect of any potential scam.

With regard to the support provided by Monzo, first of all I have noted that in November 2023 Mr M had previously told it about his gambling addiction over the online chat. It advised him about extending the cooldown period following applying a gambling block, and how to apply specific merchant blocks. And that he could ask to decrease daily spending limits for withdrawals, card payments and bank transfers. I understand Mr M had a gambling block on his card in place from 6 April 2025. And I can see he understood how the savings pots worked and he was able to put aside money and lock it away. Mr M didn't raise gambling again until May 2025 when he wanted to instigate chargebacks for a particular merchant.

On 4 June 2025 Mr M asked for advice about enabling any gambling blocks, card controls, or spending limits on his account, and options for ringfencing or protecting incoming funds, such as separate savings accounts or restrictions on outgoing payments.

I note that Monzo responded to this on 5 June advising that his gambling block was currently active. And that if he'd like help exploring extra safeguards, such as spending limits, the adviser would be happy to go through those with him. Subsequently Mr M asked if there was a help article on the spending Limits, and if there were ways to limit the account so that foreign currency transactions are restricted.

Monzo offered further support and offered to chat further with him about gambling blocks, savings pots and extra safeguards such as spending limits.

Monzo's wellbeing team contacted Mr M on 16 June asking if they could chat about further support and help. And on 27 June Monzo specifically advised him about applying merchant blocks for particular merchants. I see it also left a couple of voicemail messages, and while I appreciate that Mr M didn't feel able to talk over the telephone, he would at least have been aware that there were attempts to contact him.

Mr M didn't reply and he didn't ask to block particular merchants or to set up spending limits.

The next time Mr M contacted Monzo was after the gambling transactions he said he had been coerced into making.

I'm aware that due to his mental health problems Mr M didn't feel able to respond to Monzo's attempts to contact him nor to be proactive in setting spending limits or applying to block

merchants. He asserts he didn't receive certain emails/chat responses. But as they appear in the chat and email history, there's no reason to suppose Monzo didn't send them.

I understand that his complaint is that Monzo failed to support him because:

- No gambling blocks or restrictions were applied despite his disclosure.
- No intervention was triggered by the highly unusual pattern of hundreds of gambling payments in a short time.
- Payments were processed to what appears to be an unlicensed/offshore gambling operator.

In short, he believes Monzo should have taken further steps to support him, once it should have become aware of the large volume of gambling payments coming out of his account.

In order for me to say Monzo should refund any of the money Mr M lost I would need to find that, if it had contacted him this would have stopped him from gambling. Mr M has told us himself that because his mental state had deteriorated, he felt unable to reply to Monzo. And therefore, I think it's unlikely that he would have agreed to stop gambling. I know he thinks Monzo should have taken active steps but it isn't possible for a bank to block all overseas payments. It had advised him about the merchant block but it couldn't do that without Mr M's involvement. Ultimately, as online gambling isn't illegal consumers are entitled to spend their money as they want.

As regards the merchants being unlicensed, Monzo has said the payments weren't flagged to it. Beyond that it wasn't under any duty to make enquiries into their business. I don't think it was for Monzo effectively to police the businesses Mr M chose to make payments to

I understand Mr M's view that the merchant kept changing so applying individual merchant blocks wouldn't have worked. Though I've noted that there were multiple transactions to two or three merchants – my understanding is that the block could have been applied after the first such transaction for each merchant.

I understand Mr M's health problems and that it would have been very difficult for him to advise Monzo about them or of the circumstances in which he made all the transactions. But, although it has the wellbeing team to offer support, without co-operation from its customer there was very little Monzo could do. I have to consider what Monzo could and couldn't do under the various regulations and rules that apply to banks. I don't think it would have been reasonable to expect it to manually review the account and/or take action without Mr M's consent.

In respect of the compensation paid, £25 was paid in respect of the slight delay in responding to the complaint. As this concerns complaint handling that doesn't fall within my remit to consider. Though I would observe this was paid because Monzo had advised it would respond by 13 September but didn't respond until 16 September.

In respect of the £30 paid, I think this reflects the fact that Monzo was slow at getting back to Mr M through its wellbeing team, about two weeks. And that it was slow in responding about the merchant block, a further two weeks. Though I would note that he was aware of this from the November 2023 chat. I don't think it supports Mr M's view that this recognises its failure over an extended period, and I am satisfied the compensation paid for this was reasonable.

**My final decision**

For the reasons set out above, I don't uphold the complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 23 March 2026.

Ray Lawley  
**Ombudsman**