

The complaint

Mr R complains Monzo Bank Ltd (“Monzo”) didn’t do enough to protect him when he fell victim to a scam.

What happened

Mr R said he decided to invest in a cryptocurrency investment opportunity which was popular in his town. He said he made payments from his Revolut account to a known cryptocurrency provider and from there he transferred the funds to the scam platform. He said he used an app to invest and would press a ‘quantification button’ which bought/sold cryptocurrency for gain and never a loss. From my review it seems he was able to make some withdrawals until all withdrawals were cancelled. Mr R said he believed he’d been scammed when there was a promotional offer to invest \$500 and receive \$500 back, but at this time it was too late to withdraw his funds.

These are the payments Mr R made to the scam from his account via a legitimate cryptocurrency exchange:

Payment	Date	Type of transaction	Payee	Amount
1	4 October 2023	Faster payment	Cryptocurrency provider	£140
2	11 October 2023	Faster payment	Cryptocurrency provider	£360
3	12 October 2023	Faster payment	Cryptocurrency provider	£120
4	17 October 2023	Faster payment	Cryptocurrency provider	£100
5	19 October 2023	Faster payment	Cryptocurrency provider	£1,000
6	22 October 2023	Faster payment	Cryptocurrency provider	£150
7	25 October 2023	Faster payment	Cryptocurrency provider	£800
8	3 November 2023	Faster payment	Cryptocurrency provider	£1,000
9	9 November 2023	Faster payment	Cryptocurrency provider	£220
10	20 November 2023	Faster payment	Cryptocurrency provider	£500

Mr R complained to Monzo, and his complaint wasn’t upheld. Unhappy with Monzo’s response, he raised the matter with the Financial Ombudsman. One of our Investigators looked into the complaint and didn’t uphold it. They didn’t think Monzo ought to have been concerned by the payments.

As an agreement could not be reached, the complaint has been passed to me for a final 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’m sorry that Mr R has lost a significant sum of money and I don’t underestimate the impact this has had on him. And so, I’d like to reassure him that I’ve read and considered everything he’s said in support of his complaint. But I’ll focus my comments on what I think is relevant. If

I don't mention any specific point, it's not because I've failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. I know this will come as a disappointment to Mr R but having done so, I won't be upholding his complaint for broadly the same reasons as our Investigator. I'll explain why.

In broad terms, the starting position at law is that banks and other payment service providers are expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account.

Mr R authorised the payments in question here – so even though he's lost some of his funds, he is presumed liable in the first instance.

But as a matter of good industry practice, Monzo should also have taken proactive steps to identify and help prevent transactions – particularly unusual or uncharacteristic transactions – that could involve fraud or be the result of a scam. However, there is a balance to be struck: as while banks and Electronic Money Institutions should be alert to fraud and scams to act in their customers' best interests, they can't reasonably be involved in every transaction.

I've thought about whether Monzo acted fairly and reasonably in its dealings with Mr R when he made the payments, or whether it should have done more than it did. In doing so I've considered what Monzo knew about the payments at the time it received Mr R's payment instructions and what action, if any, Monzo took prior to processing the payments.

Monzo told us it didn't intervene or provide warnings for any of the disputed payments. I've thought carefully about whether it was reasonable for Monzo to process the payments without intervening or whether it should have done more. Having considered this carefully I agree with our Investigator that the payments wouldn't have suggested Mr R was at risk of financial harm from fraud. I'll explain why.

While this isn't an insignificant amount of money in total, the payments themselves were for relatively low amounts and made over several weeks. And having reviewed Mr R's previous account activity I believe the value of these payments were in keeping with how Mr R typically used his account. Although they were going to a known cryptocurrency provider that isn't enough for me to say that Monzo ought to have been concerned that Mr R could potentially be falling victim to a scam as we know many payments for cryptocurrency aren't related to fraud. Therefore Monzo was reasonable to process the payments in-line with Mr R's payment instructions.

So based on the circumstances of the disputed payments, I don't think there were sufficient grounds for Revolut to think that Mr R was at risk of financial harm from fraud when he made the payments. So, I can't say Revolut was at fault for processing them in accordance with Mr R's instructions.

Recovery

I've thought about whether there's anything else Monzo could have done to help Mr R.

The payments were sent to a known cryptocurrency provider. In that case the money would have been exchanged into cryptocurrency and it seems that Mr R got the cryptocurrency he paid for and in these cases, there's no real prospect of successful recovery of funds.

I'm sorry to disappoint Mr R further, but I've thought carefully about everything that has happened, and with all the circumstances of this complaint in mind I don't think Monzo needs to refund Mr R's money or pay any compensation.

My final decision

My final decision is that I do not uphold this complaint against Monzo Bank Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 7 July 2025.

Charlotte Mulvihill
Ombudsman