

The complaint

Mr O complains that Monzo Bank Ltd won't reimburse funds he said he lost to a scam.

Mr O is represented by a firm, for ease I have only referred to Mr O in this decision.

What happened

The details of this complaint are well known to both parties so I won't repeat it all again here.

In summary, Mr O said a friend introduced him to the cryptocurrency investment opportunity. He made several payments to the investment from an account he held elsewhere; he also made a payment of £4,700 from his Monzo account to purchase cryptocurrency from an exchange platform before sending the funds on to the scammer. Mr O said the value of the investment begun to plummet and it was at this time he discovered that it had been a scam. He complained to Monzo, but it did not uphold his complaint.

Our Investigator didn't think the complaint should be upheld. He didn't think Monzo could reasonably have been expected to intervene in the payment. Our Investigator said that even if it had intervened, he didn't think it could have prevented the scam occurring.

Mr O didn't accept our Investigator's opinion, as such 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.

Having done so, I have reached the same outcome as our investigator and for broadly the same reasons. I know this will be disappointing to Mr O, but I'll explain why I have come to this decision.

Taking into consideration the relevant regulatory rules and guidance, codes of practice and good industry practice, Monzo should have looked at the wider circumstances surrounding the transaction before making the payment and taken steps to keep its customer's accounts safe. Therefore, it ought to look out for payments which might indicate that its customer is at risk of financial harm due to fraud.

While cryptocurrency related transactions can be considered high risk, not all payments for this purpose are in fact fraudulent. There are many legitimate cryptocurrency purchases made by customers daily, so I don't think the fact the payment was for this purpose is enough reason to warrant intervention.

Mr O highlighted several final decisions which he thinks support his view that Monzo ought to have intervened when he made the payment. At the time the transaction took place I would expect Monzo to take into consideration a range of factors when deciding whether to intervene before processing a payment instruction. I have reviewed the decisions Mr O

mentioned, and while they shared similarities with his complaint, I find there were several important differences in the merits of the cases. Regardless, I don't think they change things overall.

Even if I were to find Monzo ought to have intervened, I'm not persuaded it would have been able to tell Mr O with any certainty that he had fallen victim to a scam. This is because, I find at the time there were no concerning reviews, online or elsewhere, indicating the investment was a scam. Mr O wasn't contacted by someone claiming to be a broker or financial adviser, rather he was introduced to the investment by a friend who he believed was profiting from the investment. The website appeared genuine and he was given access to a platform where he could see his investment growing. Furthermore, Mr O told us he had been able to make several small withdrawals from the investment.

At best I think Monzo could have provided a general warning about investment scams, but as the investment did not share many similarities to common scams at the time, I think it's unlikely to have impacted Mr O positively and caused him to stop making the payments. On balance, I think it's likely that Mr O would have been more persuaded by his friend and the outcome of his own research than a general scam warning from Monzo.

Mr O has told us he was aware that it would be easier to make cryptocurrency payments through digital banks such as Monzo rather than the high street banks. And his statements show he moved the funds through accounts he held with high street banks, before making the payment to the cryptocurrency platform from his Monzo bank account. I think it is clear from his actions that Mr O was determined to make the payment. As such, even if Monzo had gone as far as stopping the payment all together, I think it's likely that Mr O would have found alternative means of paying into the investment. It follows that I cannot fairly or reasonably hold Monzo responsible for the loss.

I've carefully considered everything that's happened here. I appreciate Mr O has been the victim of a cruel scam and he lost a considerable sum of money. I sympathise with him, but I could only uphold this complaint and require Monzo to reimburse him if I thought it made an error and its error made a material difference, but I'm not persuaded that's the case here.

My final decision

For the reasons outlined above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 10 December 2025.

Oluwatobi Balogun
Ombudsman