

The complaint

Mr A complains that Monzo Bank Ltd won't refund the money he lost as the result of an authorised push payment (APP) scam.

Mr A is represented by a third party, for ease of reading I will refer solely to Mr A in this decision.

What happened

Both parties are familiar with the details of the scam so I won't repeat them here in full. In summary, Mr A fell victim to a cryptocurrency investment scam that he was introduced to by a friend. He made the following faster payments to an account in his name at a cryptocurrency platform. He had opened this based on the scammer's instructions and from there he moved his funds to the trading firm 'D'.

payment	date	value
1	30/01/2021	£2
2	30/01/2021	£3,660
3	30/01/2021	£20
4	30/01/2021	£20
5	30/01/2021	£20
6	10/02/2021	£2
7	10/02/2021	£3,500
8	05/05/2021	£1

Mr A realised he had been scammed when he attempted to withdraw his profits, and the scammer stopped all communication. Mr A says Monzo did not do enough to protect his money.

Monzo says it followed Mr A's payment instructions and does not accept liability for his losses. It showed a warning in the app when Mr A made his first payment to the new payee. Our investigator did not uphold Mr A's complaint. She did not find Monzo ought to have done anything differently.

Mr A disagreed and asked for an ombudsman's review. He said, in summary, Monzo ought to have intervened at the time of payment 2 as that payment was unusual for his account. A more proactive approach was needed given the recipient account was linked to cryptocurrency, and a pattern typical of crypto investment scams emerged. And an effective

intervention would have prevented Mr A's losses.

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.

When considering what is fair and reasonable, I'm also required to take into account: relevant law and regulations; regulatory rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the relevant time.

Having taken into account longstanding regulatory expectations and requirements, and what I consider to be good industry practice, Monzo ought to have been on the look-out for the possibility of fraud and made additional checks before processing payments in some circumstances.

Buying cryptocurrency is a legitimate activity and the payments were made to a genuine cryptocurrency exchange. The payments were also to an account in Mr A's own name and the loss happened from Mr A's cryptocurrency account. That said, I am aware that more scams involving cryptocurrency were coming to light and were known to banks - and these payments were made as part of a scam.

But at the time these payments were made, I think it was reasonable for Monzo to take into account a range of factors when deciding whether to make further enquiries of its customer about a particular payment. I am also mindful that banks can't reasonably be involved in every transaction. There is a balance to be struck between identifying payments that could potentially be fraudulent and minimising disruption to legitimate payments.

In this case the pattern of payments wasn't consistent with fraud and their values (whilst not insignificant to Mr A) did not in my view indicate heightened risk of financial harm. Accepting there were two higher-value payments, they were made several days apart and were not part of a pattern of increasing payment values. It is not uncommon for an account holder to make occasional higher value payments. Mr A also referenced the payments in prior to him making these payments but he regularly transferred sums in from his other account.

So, in the overall circumstances, I don't think Monzo needed to do anymore before it processed these payments. I would add that as the investigator pointed out, we review the bank's actions based on the date of the event and not based on what we might expect now.

I have also thought about whether Monzo could have done more to help Mr A to recover the funds once it was made aware of the scam. I note this was in early 2024, so some time after the scam which will always reduce any chance of recovery. But that aside, the payments were made to a cryptocurrency provider. And as Mr A knows he then sent that cryptocurrency to the scammer. So, Monzo would not have been able to recover any funds from the recipient account.

It follows I am not instructing Monzo to refund any money to Mr A. I realise this will be a significant disappointment to Mr A. I can understand why he wants to recover his money after falling victim to a cruel scam. Whilst I'm very sorry about Mr A's loss, I don't think it was caused by any failing on Monzo's part that could fairly lead me to uphold this complaint.

My final decision

I am not upholding Mr A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 8 July 2025.

Rebecca Connelley
Ombudsman