

The complaint

Mrs O complains that Monzo Bank Ltd didn't do enough to protect her when she fell victim to an investment scam.

What happened

Mrs O came across a company, which I'll call "H", through an individual she understood was a trusted contact within her community. She understood H was an investment opportunity relating to cryptocurrency. Mrs O says she invested from her Monzo account through a cryptocurrency provider between February and July 2022. It's unclear how she realised that this was a scam, but a complaint was made to Monzo in mid-2024.

Monzo declined to refund the payments and said it hadn't acted unfairly in processing them. Mrs O brought her complaint to our Service, but our Investigator didn't uphold it. They said Mrs O hadn't evidenced that she'd invested in H. Mrs O responded to the Investigator's assessment with some further information, but this didn't change their view – the Investigator said Mrs O hadn't evidenced that the payments in dispute had ultimately been sent to H.

Mrs O asked for an Ombudsman to reconsider the complaint.

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.

In broad terms, the starting position at law is that a payment service provider is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account. Here it's not in dispute that the payments were authorised, so the starting position is that Monzo isn't liable.

There are, however, some situations where we believe that businesses, taking into account relevant rules, codes and best practice standards, shouldn't have taken their customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

Mrs O says she made these payments due to being involved in a scam investment with H. However, she's been unable to evidence to our Service that these funds were lost to this scam. I've not seen evidence that Mrs O held an account with H and made deposits to it. Neither have I seen evidence which shows that the specific payments complained about are what funded this scam investment. Mrs O hasn't provided statements of her accounts with the cryptocurrency provider despite being given sufficient opportunity. I recognise that Mrs O has explained she has limited information available to show her interactions with H and the scam. But it's unclear why she's been unable to demonstrate cryptocurrency being withdrawn from her wallet with the cryptocurrency provider which was funded through the payments from Monzo which she's disputing.

I accept it's possible that Mrs O was involved in the scam H ran. But she hasn't provided evidence that the payments complained about did go to this scam. So, I can't fairly say Monzo needed to do anything differently. Mrs O hasn't evidence that there was a risk of financial harm associated with her making the payments to the extent that Monzo ought to have taken steps to prevent them from being made. Neither has Mrs O evidenced that she's actually suffered financial loss from these specific payments as the result of a scam.

I also don't consider Monzo needed to do anything to try and recover Mrs O's funds once it was notified of the scam in 2024. Considering the time that had passed since the payments were made and given Mrs O hasn't disputed that she didn't receive the cryptocurrency she paid for, Monzo wouldn't have been able to recover these funds.

My final decision

For the reasons given, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs O to accept or reject my decision before 23 December 2025.

Gagandeep Singh
Ombudsman