

The complaint

Mr D complains that Monzo Bank Ltd didn't do enough to protect him from the financial harm caused by gambling.

What happened

Mr D complained to Monzo about 40 transactions that he made between January 2023 to March 2025 to gambling platforms and cryptocurrency exchanges. He said that if Monzo had intervened before the transactions, his losses would have been prevented.

Monzo refused to refund any of the transactions and so Mr D complained to this service. He said the pattern and nature of the transactions ought to have raised concerns because he was making multiple transactions in quick succession and persistently using his overdraft. He also said that Monzo should have blocked his account when he didn't respond to the message it sent in April 2024.

Responding to the complaint, Monzo said the transactions wouldn't have been stopped by a gambling block because they didn't have gambling merchant codes.

Our investigator didn't think the complaint should be upheld. She explained that banks are only able to identify specific types of transactions when the merchant uses the correct Merchant Categorisation Code (MCC) and that the different merchants Mr D had paid had used codes which weren't identifiable as gambling. So, Monzo wouldn't have known the transactions were linked to gambling.

She noted that Monzo offered Mr D support for gambling on 10 April 2024, but he didn't respond. She didn't think it needed to do anything further and that it was unlikely any further intervention would have made a difference because he was using his other account for gambling.

Our investigator further explained that she didn't think the account activity before April 2024 was unusual because the account had a history of overdraft usage, and it wasn't unusual for Mr D to make multiple payments on the same day to high-risk merchants. In addition, she didn't think the amounts were concerning, and there were multiple credits from the cryptocurrency merchants into Mr D's account. So, there would have been no reason for Monzo to intervene.

Mr D has asked for his complaint to be reviewed by an Ombudsman. He feels that our investigator failed to properly assess whether Monzo's systems were adequate under the Consumer Duty, and that the intervention in April 2024 insufficient. He maintains it should have followed up when he didn't respond, and that a better intervention would have broken the cycle of addiction.

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've reached the same conclusion as our investigator. And for largely the same reasons. I know Mr D feels strongly about this complaint, and this will come as a disappointment to him, so I'll explain why.

I'm satisfied Mr D 'authorised' the payments for the purposes of the of the Payment Services Regulations 2017 ('the Regulations'), in force at the time. So, he is presumed liable for the loss in the first instance.

Mr D feels that the pattern of spending and the persistent use of his overdraft to have triggered an intervention from Monzo. But I agree with our investigator that the transactions were low value, there was nothing suspicious about the payees and making multiple payments in quick succession to new payees wasn't unusual for the account. So, there would have been no reason to intervene.

Significantly, there wasn't a gambling block on the account until 29 March 2024 and, in any event, Mr D was making payments to cryptocurrency merchants and unregulated or off-shore regulated casinos, which wouldn't have triggered the block. So Monzo wasn't at fault for processing the transactions.

I've considered whether it should have done more when Mr D didn't respond to the email it sent in April 2024 and I agree with our investigator that we wouldn't reasonably expect it to have done anything further when Mr D failed to respond. And even if it had contacted him again or blocked the account, I don't think it would have made any difference because he would likely have used his other account or continued to use unregulated or off-shore regulated casinos to circumvent the gambling block. So, I don't think there's anything it could have done to prevent his loss.

I'm sorry to hear of Mr D's loss and the effect this has had on him. But for the reasons I've explained, I don't think Monzo is to blame for this and so I can't fairly tell it to do anything further to resolve this complaint.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr D to accept or reject my decision before 11 March 2026.

Carolyn Bonnell
Ombudsman