

The complaint

Ms U has complained that Monzo Bank Ltd won't refund the money which she explained she lost in a scam.

What happened

Ms U explained that she was introduced to an investor's group, where two cryptocurrency investment schemes were promoted. She explained that these turned out to be scams.

Between autumn 2021 and spring 2022, Ms U sent around £9,000 from her Monzo account to her crypto account at an exchange. She explained she sent the funds on to the scammers from there. She didn't receive her promised returns and couldn't withdraw.

In 2024, Ms U reported this to Monzo as a scam and complained via representatives. Monzo didn't think they were liable for Ms U's loss.

Our Investigator looked into things independently and didn't uphold the complaint. Ms U didn't agree, so the complaint's been passed to me to decide.

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 to hear that Ms U might have lost a good deal of money here, and I'm grateful to her for being open and candid with us about how she's felt.

I'm afraid a key issue is that it's not clear whether Ms U's payments did relate a scam. I've only been given a few screenshots of a potential scam website, with nothing to link that to Ms U. I don't have – for example – evidence of Ms U talking to any scammers or receiving any documents relating to a scam, or of being asked to send money in relation to any scam, or of an account on any scam platform which I could identify as being hers, and so on.

Even more importantly, I don't have any supporting evidence that Ms U actually suffered a relevant loss. All I can see is that she paid money from Monzo to a crypto wallet. But I don't have any evidence of what happened to the money after that, or of any contact with a scammer where they asked her to pay it on, and so on. So I have nothing to substantiate that Ms U then sent any of those funds on to a scammer. For all we can know, those funds might still be sitting in that wallet available to Ms U, or they were sent to another account of hers or a friend, or she might have used them to purchase goods or services, and so on. I'm not saying that I actually think Ms U has been untruthful. But we can't simply take people's word for it that they were scammed and tell their bank to refund them, without anything to substantiate that they lost any money in the first place. Such an approach would allow customers to simply pay money to their own crypto wallets, falsely claim they were scammed, and double their money. In other words, I can't fairly or reasonably hold Monzo liable for an alleged loss where there's no evidence which actually substantiates that any such loss happened.

So I don't seem to have sufficient evidence that Ms U was scammed, or that she suffered a relevant loss here. Which would mean there'd be no scam loss for Monzo to potentially be held liable for.

With that said, even if I were to conclude that Ms U definitely was scammed here, and that she suffered a loss – despite the lack of evidence – I'm afraid I still couldn't reasonably hold Monzo responsible for that alleged loss. I'll explain why.

I understand that the alleged scammers caused Ms U a great deal of distress, for which she'd have my sympathy. I can appreciate that such a scam would not be an easy matter to face, and I can appreciate why Ms U would want her money back. I must keep in mind that it would be the scammers who'd be primarily responsible for their scam, and who'd really owe Ms U her money back. But I'm just looking at what Monzo are responsible for.

It's not in dispute that Ms U authorised the payments involved. So although she didn't intend for the money to end up with alleged scammers, under the Payment Services Regulations she is liable for the loss in the first instance. And broadly speaking, Monzo had an obligation to follow her instructions – the starting position in law is that banks are expected to process payments which a customer authorises them to make.

Monzo should have been on the lookout for payments which could be the result of fraud or scams, to help prevent them. But a balance must be struck between identifying and responding to potentially fraudulent payments, and ensuring there's minimal disruption to legitimate payments. Here, while the payments in question went to a crypto site, they were each relatively small, and were spread out over the course of over half a year. They didn't form a concerning pattern and didn't seem especially out of character for how this account was used. So I don't find that Monzo needed to intervene in this case.

I've then considered what Monzo did to try to recover Ms U's money after she told them she thought this was a scam. Unfortunately, as Ms U had paid the money to her crypto account then already forwarded it on, it wasn't possible for Monzo to recall those funds, and the payments were not covered by the CRM Code for scams. And there was nothing more that Monzo could've reasonably done to get the money back.

So while I'm very sorry to hear about the money Ms U may have lost and the distress she's felt, I don't find that Monzo can fairly be held responsible for that. And so I can't fairly tell Monzo to reimburse Ms U in this case.

My final decision

For the reasons I've explained, I don't uphold this complaint.

This final decision marks the end of our service's consideration of the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms U to accept or reject my decision before 28 August 2025.

Adam Charles
Ombudsman