The complaint

Mr R has complained that Monzo Bank Ltd won't refund the money he says he lost in a scam.

What happened

In 2024, Mr R complained to Monzo about an alleged scam via representatives.

Mr R said that in 2022, he contacted a scammer posing as an investment expert, whose advert he saw on social media. He said he sent the scammer money which they promised to invest on his behalf. But in the end, he was told to pay an up front fee to withdraw, which he couldn't afford, and the scammer cut contact.

Mr R pointed to a number of card payments he'd made over the course of late 2022 to early 2023 from his Monzo account to his accounts at money transfer firms, totalling over £12,000. He said those were the scam payments.

Monzo said they were sorry to hear about this, but they didn't think they were liable for Mr R's stated loss.

Our Investigator looked into things independently and didn't uphold the complaint. Mr R's representatives asked for a final decision, 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 Mr R may have fallen victim to a scam, and if that is the case then he has my sympathy there. I appreciate that such scams are often cruel and manipulative and can be difficult matters to face. And I can appreciate why Mr R would want to recover any money he lost to a scam. I would need to keep in mind that it'd be the scammer who'd be primarily responsible for any scam they committed and the resulting distress, and it'd be the scammer who'd really owe Mr R any losses back. But in this case between Mr R and Monzo, I can only consider what Mr R and Monzo are liable for.

I do need to point out that I've not been given evidence which really substantiates that these payments were actually lost to a scam, such as contact with a scammer or records from Mr R's money transfer accounts. All I can see is that Mr R sent money to his own accounts at other firms. For all I know, that money might've ended up in other accounts of Mr R's or acquaintances', or it might've been used to purchase goods or services he received, and so on. I'm not saying I actually think that Mr R made a false claim. My point is that I could only reasonably hold Monzo liable for a scam loss if the evidence supported that there had been a relevant scam loss, and I don't have sufficient evidence of that here.

With that said, even if I were to conclude that these payments all definitely went towards a scam, despite the lack of evidence, I'm afraid I still couldn't reasonably hold Monzo responsible for that alleged loss. I'll explain why.

It's not in dispute that Mr R authorised the payments involved. So although he didn't intend for the money to end up with a scammer, under the Payment Services Regulations he is liable for his own payments and a resulting loss in the first instance. And broadly speaking, Monzo had an obligation to follow his 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. I've thought carefully about whether Monzo should have done more in Mr R's case.

While I appreciate that this would be a substantial amount to lose in total, the payments were each of an unremarkable size, and they were spread out over months. They were authorised by the genuine customer to accounts in his own name at other regulated firms. The spending was never quite so large or rapid as to have been of particular concern, and it was funded in line with the usual way that Mr R operated this account. Mr R's representatives felt the spending was suspiciously large and rapid on a certain day, but I'm afraid they've made a mistake. They both included a reversed payment there which didn't actually end up going through, and also double counted it by counting its reversal as a separate additional spend. So while I understand the representatives' thinking, overall I don't think the spending was quite so unusual or concerning that Monzo needed to intervene. And so I also don't think Monzo needed to ask the representatives' suggested questions.

I've then considered what Monzo did to try to recover the money after Mr R told them about the alleged scam. Unfortunately, it wasn't possible for Monzo to recall funds which Mr R had already sent on from his other accounts. And any money still remaining in Mr R's other accounts was still available to him, so there was nothing more for Monzo to do there either. Further, there was no chargeback reason which would've been appropriate here. A chargeback would've been a claim against Mr R's own money transfer firms rather than the scammer. And those firms provided the services they were supposed to. There was no realistic prospect of success for a chargeback, and chargebacks are voluntary, so Monzo didn't need to try one in this case. And I'm afraid there was nothing more that Monzo could've reasonably done to get the money back here.

So while I'm very sorry to hear about what the alleged scammer did to Mr R, I don't think Monzo can fairly be held responsible for his stated loss. And so I can't fairly tell Monzo to reimburse Mr R in this case.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or reject my decision before 3 October 2025.

Adam Charles

Ombudsman