

The complaint

Mr P complains that Monzo Bank Ltd won't reimburse him for payments he says he made to a scam.

The complaint is brought on Mr P's behalf by a professional representative.

What happened

Mr P says that in late 2023 he fell victim to a scam. He says he made the following payments from his Monzo account to buy cryptocurrency, which he then transferred to the scam.

Mr P's statements show the faster payments were made to an account in his own name, but he's told us that these payments went to a cryptocurrency exchange.

Date	Type of payment	Payee	Amount
24/10/2023	Debit card	Cryptocurrency exchange 1	£422.90
24/10/2023	Faster payment	Cryptocurrency exchange 2	£150
28/10/2023	Debit card	Cryptocurrency exchange 1	£1,786
1/11/2023	Faster payment	Cryptocurrency exchange 2	£150
1/11/2023	Debit card	Cryptocurrency exchange 1	£426.77
20/11/2023	Faster payment	Cryptocurrency exchange 2	£5,600

Mr P has told us, in summary:

- He was introduced to the scam by an acquaintance who had already invested in it.
- He had to carry out an activity every day and after a week he was able to make a withdrawal.
- The company had had a big conference which increased his confidence.
- They introduced a bonus "Thanksgiving event" which persuaded him to invest.

- When he tried to withdraw the balance he was unable to. Other investors were having the same issue and it became clear it was a scam.

In December 2023 Mr P's representative raised a complaint with Monzo. They said that the payment of £5,600 was out of character and Monzo should have intervened – which would have prevented Mr P from making the payment.

Monzo didn't reply to Mr P's complaint in time, so his representative then brought it to us and an investigator looked into it.

Our investigator didn't think Mr P's complaint should be upheld. She didn't think Mr P had supplied sufficient evidence that he was caught up in a scam when he made the payments – and she went on to say that even if she could conclude that he had lost funds to a scam, she didn't think the payments made from Monzo were out of character, such that they ought to have intervened.

Mr P's representative didn't agree. They said, in summary, that Mr P had provided a cryptocurrency wallet statement showing his name which unequivocally connects him to the scam. They said the group chat had been facilitated through the scam's application and this has since vanished so Mr P couldn't provide it.

Mr P's complaint was passed to me for review and a decision.

My provisional decision

I issued my provisional decision on 3 February 2025, explaining why I didn't intend to uphold Mr P's complaint. This is what I said.

“In line with the Payment Services Regulations 2017, consumers are generally liable for payments they authorise. Monzo are expected to process authorised payment instructions without undue delay. But they also have long-standing obligations to help protect customers from financial harm from fraud and scams.

Those obligations are however predicated on there having been a fraud or scam. And so, it would only be reasonable for me to consider whether Monzo are responsible for the loss Mr P claims to have suffered if, indeed, he has been scammed. I've therefore considered whether Mr P was a victim of a scam. And I'm not persuaded that I currently have enough evidence to conclude that he was here. I'll explain why.

Mr P's representative said he didn't have any record of the chat he was involved in – because it was a group chat that took place within the scam application and so was subsequently deleted (although in the original letter of complaint to Monzo they did say the chat had taken place on a separate social media app.) And Mr P's representative did subsequently send us a social media chat relating to the scam. The investigator pointed out that the chat didn't appear to be linked to Mr P's involvement in the scam – because some of the payments which Mr P says he made to the scam were made before the chat started. It looks to me that this is a generic example of a chat and Mr P isn't part of it – so I agree with the investigator that it doesn't appear to link Mr P to the scam.

Mr P says he invested after receiving a message about a “Thanksgiving event” and we've received a screenshot of a message which describes this event. But this message appears to be dated 24 November 2023, and Mr P's last payment to the scam from Monzo was on 20 November 2023 – four days earlier. And it's not clear to me from what I've seen so far that this is a message that was personally received by Mr P.

Mr P's representative has also sent us some other information and evidence about this particular scam which appears to be generic. This is background information about how the scam operated, but it doesn't show that Mr P was a victim of it.

The cryptocurrency statement shows credits which do appear to correspond with the dates of some of Mr P's debit card payments from Monzo. While this statement shows that Mr P held a wallet with that particular cryptocurrency exchange and that withdrawals were subsequently made, it doesn't demonstrate that the withdrawals were made in relation to a scam or sent on to the scammers.

Mr P has also sent us some screenshots showing withdrawals in late November 2023 from the cryptocurrency exchange he made the faster payments to. But again, these don't indicate that the withdrawals were made as part of a scam or sent on to the scammers.

The particular scam Mr P says he was involved in, is one which has been discussed online, and his description of how he became involved with the scam fits with the experience of other people who were tricked into investing in it. But some of the information we've been given about what happened in Mr P's case, such as where the scam chat took place and what prompted him to invest, does appear to be inconsistent. I'm also mindful that, as Mr P has said, information about the details of this scam was widely available online from shortly after Mr P's payments were made.

I want to be clear that I'm not doubting Mr P's version of events, and I'm sorry to disappoint him. But I do need to see sufficient evidence to show that he has suffered a loss due to a scam before I can go on to consider if Monzo should have intervened in any of the payments he says he made to the scam. And I don't think that I have enough evidence of this here. Without this, I can't reasonably conclude that Mr P has suffered a loss to a scam which Monzo could have prevented.

Because I've not been able to conclude Mr P has fallen victim to a scam, I'm not persuaded Monzo were obliged to attempt to recover the funds when Mr P let them know what had happened. But for completeness, I agree with the investigator that there was no prospect of successful recovery here.

I don't think there would have been any reasonable prospect of a chargeback claim succeeding on the debit card payments, as the merchant (in this case the cryptocurrency exchange) would be able to demonstrate that it had provided the cryptocurrency that Mr P had purchased with his debit card. And the faster payments were made to an account with the cryptocurrency exchange which was in Mr P's own name, so it's difficult to see how recovery would be possible."

Neither party responded to my provisional decision by the deadline I gave them.

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.

As neither party replied to my provisional decision, I see no reason to depart from it.

My final decision

My final decision is that I don't uphold Mr P's complaint, for the reasons I've explained.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 21 March 2025.

Helen Sutcliffe
Ombudsman