

The complaint

Mr H has complained that Monzo Bank Ltd won't refund the money he lost after falling victim to a scam.

What happened

In 2024, Mr H was unexpectedly added to a group chat centred around an investment platform. He watched that chat for some time, saw people praising the platform and posting high returns, looked up the platform online, and thought it seemed legitimate. However, this was actually an investment scam.

Over the course of several weeks, Mr H made several payments from his Monzo account to his own account at a cryptocurrency exchange, totalling around £3,400. He then bought crypto and sent it on to the scammers' platform. In the end, he was unable to withdraw his investment and was asked to pay up-front fees.

A few months later, Mr H complained to Monzo about the scam. Monzo didn't think they were liable for Mr H's loss.

Our Investigator looked into things independently and didn't uphold the complaint. Mr H's representatives asked for an ombudsman's 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 understand that Mr H fell victim to a scam, for which he has my sympathy. I appreciate this cannot have been an easy matter for him to face, and I appreciate why he would like his money back. It's worth keeping in mind that it's the scammers who are primarily responsible for their own scam, and it's the scammers who really owe Mr H his money back. But I can only look at what Monzo are responsible for. Having carefully considered everything both sides have said and provided, I can't fairly hold Monzo liable for Mr H's loss. I'll explain why.

It's not in dispute that Mr H authorised the payments involved. So although he didn't intend for the money to end up with scammers, under the Payment Services Regulations he is liable for the 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 H's case.

However, I don't think the payments involved were so unusual or out of character that Monzo needed to intervene. While the spending went to a crypto site, it was not so large or rapid at any point that it needed to be of particular concern for this account. The payments were going to an account in Mr H's own name, they didn't form any particularly suspect pattern, Mr H had made crypto-related payments before, and I can't see that there were any other factors which Monzo were aware of at the time which should've caused them to intervene.

I've then considered what Monzo did to try to recover the money after Mr H told them about the scam. Unfortunately, it wasn't possible for Monzo to recover money which Mr H had already sent on from his other account in crypto. Then any funds still remaining in Mr H's crypto account were still available to him, so there was nothing more for Monzo to do there. And as these were payments to Mr H's own crypto account in his control, they were not covered by the ASR rules or the CRM Code.

So while I'm very sorry to hear about what the scammers did to Mr H, I don't think Monzo can fairly be held responsible for his loss. And so I can't fairly tell Monzo to reimburse Mr H 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 Mr H to accept or reject my decision before 3 November 2025.

Adam Charles
Ombudsman