

## **The complaint**

Mrs T complains Monzo Bank Ltd (“Monzo”) didn’t do enough to protect her when she fell victim to a scam.

The complaint is brought on her behalf by a professional representative, for ease I’ll refer to Mrs T throughout.

## **What happened**

Both parties are familiar with the circumstances of the scam, so I’ll only summarise the details here.

Mrs T said someone she knew invited her to a live video group meeting where an investment opportunity was discussed with a firm that I’ll refer to as H, that we now know to be a scam. Mrs T said she carried out some research and decided to invest. It seems she was added to a group chat on a messaging app but hasn’t been able to provide evidence of this as she’s since left the group chat, deleted it and changed her phone.

Mrs T said she invested £6,812.79 from April 2021 to April 2024. She said she made payments to legitimate cryptocurrency exchanges before transferring the funds to H. Mrs T said she became suspicious it might be a scam in the summer of 2022, and said the scammers were able to reassure her there were glitches in the system, which Mrs T says has been known to happen with high street banks. She continued to invest for a considerable time after this and said she realised it was a scam when members in the group chat said they couldn’t withdraw their funds.

Mrs T complained to Monzo, and her complaint wasn’t upheld. Unhappy with Monzo’s response, she raised the matter with the Financial Ombudsman. One of our Investigators looked into the complaint and wasn’t satisfied Mrs T had evidenced she’d lost funds as the result of the scam. They said in any event they didn’t think the payments would be of concern to Monzo such that it ought to have intervened and so it was reasonable for it to have processed the payments.

As an agreement could not be reached, the complaint has been passed to me for a final decision.

## **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.

Mrs T raised a complaint against another firm which was referred to us. I’m aware of the other complaint but will only be commenting on her complaint against Monzo.

I’m sorry to disappoint Mrs T further but I’m unable to uphold her complaint, for broadly the same reasons as our Investigator, I’ll explain why.

In line with the Payment Services Regulations 2017, consumers are generally liable for payments they authorise. Monzo is 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 is responsible for the loss Mrs T claims to have suffered if, indeed, she has been scammed. I've therefore considered whether Mrs T was a victim of a scam and can evidence she lost funds as a result.

It's important to see evidence that a customer has been scammed and that, for example, it isn't a case of a failed investment. It's equally important to see that a customer has lost funds as a result of the scam. In this case Mrs T told us she was the victim of an investment scam with H and has been able to evidence she held an account with H and made purchases with H. However, she hasn't been able to evidence she's suffered a loss as a result of the disputed payments she made from her Monzo account in relation to the scam.

Mrs T has confirmed she doesn't have access to her cryptocurrency account anymore. We need this evidence to be satisfied the payments Mrs T made to her cryptocurrency account from Monzo were then moved to H and lost as part of the scam. Without this evidence I can't fairly conclude that the payments Mrs T made were transferred to the scammers and lost.

Our Investigator requested this evidence making it clear what was needed and why, they allowed a reasonable amount of time for it to be provided and to date it hasn't been.

As mentioned above, Mrs T said she left the group chat related to the scam and has deleted it and changed her phone, she's therefore been unable to provide this evidence too.

This is not to say I don't believe Mrs T, but I do think it's reasonable for her to provide sufficient evidence to support her version of events about the circumstances of the scam and the losses she says she suffered. She has given reasons as to why she can't and I have sympathy with the situation she finds herself in however, in the absence of that evidence I can't say that it would be reasonable for Monzo to be held liable for any of the losses Mrs T says she's suffered.

I would like to add that even if this evidence had been provided, I don't think Monzo can fairly be held liable for the losses Mrs T says she suffered. I say this because the payments weren't of an unusually excessive value that they ought to have been a concern for Monzo at the time they were made. I'll explain why.

It's helpful to consider her usual account activity when deciding if the payments appear to be out of character, or not. And having done so I don't think they were out of character. I've reviewed Mrs T's account statements and while she typically used the account for low value payments there were some payments around the time before she made the disputed payments which were higher in value. This can be said of the disputed payments too. For the most part the payments were low value with some below £10, but at times they were higher value. But not to a point where Monzo ought reasonably to be suspicious Mrs T was potentially falling victim to a scam. I believe the payments are in-line with how she generally used her account and I've also taken into consideration the payments were made over several years. I therefore don't think the payments suggested Mrs T was potentially falling victim to a scam or at risk of financial harm from fraud.

I also think the payments weren't of an unusually excessive value so I don't think the payments were suspicious in nature. I appreciate they were going to cryptocurrency providers but that point, at the time Mrs T began making these payments in 2021, isn't enough to suggest to Monzo that Mrs T was at a heightened risk of financial harm from

fraud. I therefore don't think it was unreasonable for Monzo to process the payments in-line with Mrs T's payment instructions.

I'm sorry to disappoint Mrs T further, but I've thought carefully about everything that has happened, and with all the circumstances of this complaint in mind I don't think Monzo needs to refund her money or pay any compensation. I realise this means she's out of pocket and I'm really sorry she's lost this money. However, for the reasons I've explained, I don't think I can reasonably uphold this complaint.

### *Recovery*

Monzo isn't a signatory of the Contingent Reimbursement Model but has committed to act in the spirit of the code. As the payments Mrs T made were to an account in her own name they aren't covered by the Contingent Reimbursement Model.

I've thought about whether there's anything else Monzo could have done to help Mrs T — including if it took the steps it should have once it was aware that the payments were the result of fraud.

Given the payments were made to legitimate cryptocurrency providers, I don't consider there would have been any prospect of successful recovery of funds given there's no dispute the cryptocurrency was provided to Mrs T. And so, I don't think Monzo could have recovered the losses Mrs T says she suffered.

### **My final decision**

My final decision is that I do not uphold this complaint against Monzo Bank Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs T to accept or reject my decision before 18 July 2025.

Charlotte Mulvihill  
**Ombudsman**