

The complaint

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

What happened

In 2024, Mr T matched with a scammer on a dating app. The scammer fostered an online relationship with Mr T and persuaded him to invest in a fake cryptocurrency platform, offering to instruct him on how to trade and make large profits.

Over the course of several weeks, Mr T made various transfers from his Monzo account to his own cryptocurrency account, totalling around £20,000. He then bought crypto and sent it on to the scammer's platform. In the end, Mr T was blocked from withdrawing his funds and was told to pay various up front fees.

Mr T reported the scam to Monzo via representatives. Monzo explained they sympathised but didn't think they were liable for Mr T's loss.

Our Investigator looked into things independently and didn't uphold the complaint. Mr T'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 T fell victim to a particularly cruel 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 scammer who's primarily responsible for their own scam, and it's the scammer who really owes Mr T his money back. But I can only look at what Monzo are responsible for. Having carefully considered everything that both sides have said and provided, I can't fairly hold Monzo liable for Mr T's loss. I'll explain why.

It's not in dispute that Mr T 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 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, though a balance must be struck between identifying and responding to potentially fraudulent payments, and ensuring there's minimal disruption to legitimate payments. Given factors like the size, speed, and destination of the payments, I think Monzo should have intervened here and spoken to Mr T.

I must then consider whether such intervention was likely to have succeeded. We're not here to punish or fine banks for failing to intervene – I could only reasonably hold Monzo liable for the loss if I thought they could have most likely prevented it. However, like our Investigator, I'm afraid I think it's more likely than not that reasonable intervention wouldn't have worked.

I say this because it's clear from Mr T's testimony and his contact with the scammer that the scammer was extremely persuasive, and they successfully manipulated Mr T into believing that he was in a genuine relationship. I hope Mr T doesn't blame himself for this – this was a particularly manipulative scam carried out convincingly over very lengthy communication, including talking about deep topics and video calling, where the scammer built up a close and affectionate online relationship.

But then I must bear in mind that it really looks like Mr T was deeply under the scammer's spell and trusted them. Mr T repeatedly affirmed his trust in the scammer, consulted with the scammer when he faced problems, promised to follow the scammer's instructions step-by-step and not do things on his own, and indeed did what they told him to do. Even when Mr T couldn't withdraw his money and found the regulator's warning about the platform, he still consulted with the scammer, trusted their explanation, carried on working with them, and sent in further funds. The scammer told Mr T what to say if he spoke to his bank so they wouldn't stop him from buying crypto, which Mr T agreed to. And it's notable that Mr T initially began paying into the scam using his accounts at a different bank and a different crypto exchange. But when he faced problems and his payments were stopped, he got around this by switching which crypto exchange he used, and by transferring his funds into this Monzo account to use it instead. He hadn't been using this account recently and effectively reactivated it in order to make these payments.

As such, it doesn't seem especially likely that reasonable, proportionate intervention would've stopped the loss here. It looks like Mr T was prepared to tell the bank what the scammer told him to say, which would've made it difficult to uncover the scam or provide appropriately tailored warnings. It looks like Mr T was willing to trust the scammer even over a warning from the regulator. And Mr T had shown he was willing to switch which method or accounts he used in order to bypass restrictions. So I'm afraid it seems more likely than not that Mr T would've still gone ahead with the payments one way or another even if Monzo had intervened. And so I can't fairly hold Monzo liable for the loss there.

I've then considered what Monzo did to try to recover the money after Mr T told them about the scam. Unfortunately, it wasn't possible for Monzo to recover funds which Mr T had already sent on from his other accounts in crypto. And any money remaining in Mr T's other accounts was still available to him, so there was nothing more for Monzo to do there. As these were payments to Mr T's own crypto account, they weren't covered by schemes like the ASR rules or CRM code. 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 scammer did to Mr T, and while I hope that they are caught by the authorities, I don't think Monzo can fairly be held responsible for his loss. And so I can't fairly tell Monzo to reimburse Mr T 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 T to accept or reject my decision before 6 November 2025.

Adam Charles
Ombudsman