

The complaint

Mr A complains that Monzo Bank Ltd did not reimburse the funds he lost to a scam.

What happened

Mr A says he met an individual on a messaging platform who said they could help him invest; I will refer to the individual as 'X'.

Mr A invested money into the platform as instructed but kept losing money. From his Monzo account he sent £3,356.06 over 14 card payments to X, and he received £479.33 and £332.41 in returns. Eventually X cut all contact and Mr A felt he had been the victim of a scam.

He raised a scam claim with Monzo who explained that as the money had been lost from the trading platform and not Mr A's Monzo account, they were not responsible for reimbursing him. Mr A referred the complaint to our service and explained to our Investigator that he was told to download screensharing software AnyDesk by X. He said that X then carried out the trades and topped up the trading account without his authorisation.

Our Investigator looked into the complaint and explained that as Mr A gave X authority to carry out trades on his behalf, he was therefore aware that the trade account would be topped up from his Monzo account. So, they felt these were authorised payments. They did not think the card payments sent to X were so unusual when compared to Mr A's genuine account activity that Monzo should have intervened in them. And they felt Monzo could not reasonably have done more to try and recover Mr A's funds once they were aware of the scam.

Mr A disagreed with the findings and provided a detailed response explaining why he felt the payments were not authorised by him and why he felt Monzo should provide him with reimbursement.

As an informal 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.

Mr A has provided detailed submissions to our service in response to the Investigator's view. In keeping with our role as an informal dispute resolution service and as our rules allow, I will focus here on the points I find to be material to the outcome of Mr A's complaint. This is not meant to be a discourtesy to him, and I want to assure him I have considered everything he has submitted carefully.

Generally, Monzo is able to hold Mr A liable for the disputed transactions if the evidence suggests it's more likely than not that he made or authorised them himself. This position is confirmed in the Payment Service Regulations 2017 (PSRs) and the terms and conditions of his account.

From what I've seen, the payments were made using Mr A's mobile phone device and Monzo has provided evidence the majority of the payments were approved via 3Ds security. This would have required Mr A to use his Monzo app to approve the payment, which would set out the value of the payment and who it was going to. Mr A has also confirmed that he did approve the 3DS verifications on the instruction of the scammer. However, he says thought he was authorising account verification or trade executions.

I've thought about this carefully, and having done so I think it is more likely M A was aware he was approving requests to send funds to the trading platform in order to be used for trading after providing X with access to his mobile phone device. So I think he ultimately gave authority for these payments to be made, knowing what they would be used for.

While Mr A has said he does not have access to the chats with the scammer, he did provide some of these to our service when he first referred the complaint to us. These show that Mr A confirmed he would open the trading account himself and that he had deposited £1,000 into it himself initially. And this ties in with the initial deposit which shows on the trading account statements which Mr A provided to us. I am satisfied that, at least initially, Mr A was carrying out the deposits himself, so knew how the process worked.

On balance, having carefully considered everything available to me, I am satisfied Mr A authorised the payments made from his Monzo account to the trading platform. However, the regulatory landscape, along with good industry practice, also sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victims to scams. So, I've also thought about whether Monzo did enough to try to keep Mr A's account safe.

I've reviewed the account statements and compared the scam payments to Mr A's genuine account activity. Having done so, I just don't think the overall value or frequency of the payments was unusual enough to warrant an intervention. I say this because Mr A had made similar payments to other investment or cryptocurrency companies in the months prior to the scam payments. As a result, I do not think the affected payments would have appeared out of character to Monzo. I therefore think it was reasonable that they did not intervene in these payments and I do not think they missed an opportunity to meaningfully reveal the scam in the circumstances.

Considering these payments went to a trading platform and were then lost to the scam, I don't think Monzo could reasonably have recovered them once they were made aware of the scam, as they had already been moved into the control of the scammers.

Having carefully reviewed everything on file, I do not consider that it would be fair to hold Monzo responsible for Mr A's loss, so I won't be asking it to refund any of that loss to him.

My final decision

I do not uphold Mr A's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 19 February 2026.

Rebecca Norris
Ombudsman