

## The complaint

Mr A says Monzo Bank Ltd (“Monzo”) failed to protect him from financial harm after he fell victim to a scam.

Mr A appointed a professional representative who brought this complaint on his behalf. However, for ease, I will simply refer to “Mr A” throughout my decision, even when referring to submissions made by his representative.

## What happened

The facts of this complaint are well known to both parties, so I won’t repeat them in detail here.

In short, Mr A began speaking to an unknown lady on WhatsApp who convinced him to invest in cryptocurrency. This lady, who I will refer to as “F”, claimed to be helping him invest his money for him, instead she scammed him into sending her around £26,535.56. The payments Mr A made to the scammer are as follows:

Payment	Date	Amount
1	14/05/2022	£750
2	15/05/2022	£0.06
3	15/05/2022	£2,499.31
4	19/05/2022	£3,402.79
5	20/05/2022	£2,447.47
6	27/05/2022	£2,027.89
7	06/06/2022	£9,168.03
8	09/06/2022	£256.86
9	09/06/2022	£20.36
10	11/06/2022	£4,182.75
11	11/06/2022	£20.73
12	12/06/2022	£438.07
13	13/06/2022	£844.13

14	13/06/2022	£21.05
15	01/07/2022	£456
	<b>Total Loss:</b>	<b>£26,535.44</b>

Mr A says Monzo should've identified that these transactions were out of character and should've intervened to protect Mr A from financial harm.

Monzo says it didn't intervene with the transactions as they were all card payments and there was no evidence the payments had been made by anyone other than Mr A. So, it had no reason to intervene.

We considered this complaint at investigation stage on two separate occasions. On both occasions the investigator felt it wouldn't be fair to hold Monzo liable, as even if it had intervened it's unlikely Mr A would've acted differently. Mr A wasn't happy with this outcome, so 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.

There is no dispute here that the transactions in dispute were authorised as defined by the Payment Services Regulations 2017. Mr A made these payments using his debit card which he has not reported as lost or stolen, nor has he said he didn't make the payments himself. Generally, consumers are liable for payment transactions they have authorised. However, there are regulatory requirements and good industry practice which makes it clear that banks ought reasonably to protect consumers from the risk of financial harm, including fraud and scams.

So, I have firstly considered whether Monzo should've identified that Mr A was at risk of potential harm.

### **Should Monzo have recognised that Mr A was at risk of financial harm from fraud?**

Monzo didn't intervene in this series of payments, however I think it should've done so at payment 5. And I'll explain why.

By payment 5 Mr A had made some small payments to cryptocurrency providers and two larger payments as well. But firms need to strike a balance between intervening in a customer's payment to protect them from financial harm, against the risk of unnecessarily inconveniencing or delaying a customer's legitimate transactions. So, I don't think Monzo ought to have intervened for the first four payments, but by payment 5 Mr A had made a relatively large payment to purchase cryptocurrency the previous day, and then another relatively large payment on 20 May 2022. These payments were out of character for his account and totalled more than £5,000. And in these circumstances, I would say the proportionate intervention would've been in the form of a written scam warning. Mr A argues that Monzo should've intervened with a human intervention, however, I don't think that would be fair. As this would've been the first red flag, and the five payments made thus far were spread over a few days, I don't think I could say Monzo should've gone to the extent of carrying out a human intervention at this point.

So, I must now turn to causation. Put simply, I need to consider whether Monzo's failure to intervene caused Mr A's losses. To do this, I need to reflect on whether such an intervention (described above) would have likely made any difference.

As explored by the investigators who considered this complaint before, Mr A had built a relationship of trust and understanding with F. I've seen from the history of the WhatsApp chat that Mr A believed F was good at investing and had been making substantial gains. He had also been shown an online portal which he believed showed his investment portfolio, and he seems happy about what he thought his investment was doing so far. So, I think even if Mr A had been shown a written scam warning when making this payment, he would've have decided to proceed as I think he was convinced he was making a good investment with a trusted friend.

### **Should Monzo have exercised further interventions in relation to Mr A's other payments?**

Mr A continued to send money as instructed by F. And as they payments continued, cryptocurrency payments to such providers would've become more established on Mr A's account. However, payment 7 was for around three times the amount Mr A had been regularly sending, and I think this should've caused Monzo to Intervene again. At this point, Mr A had received an incoming payment for £10,000 from another bank and then paid a large amount of that to a cryptocurrency provider. So, I think it would be fair to say Monzo should've provided another written scam warning at this point.

Again, Mr A says it would've been more appropriate for Monzo to have initiated a human intervention at this point, but considering these payments were in 2022, before financial providers were as aware of such scams as they are now, I don't think it would be fair to say Monzo should've provided a human intervention at that time. However, even if I were to decide this was the case I still don't think it would've made a difference, and I'll explain why.

At the time of this payment, June 2022, Mr A and F were messaging daily, and it seems their relationship had deepened further. They had discussed personal information about their past relationships and had connected on a level deeper than expected for a broker/investor relationship. I've seen evidence that Mr A had been coached into giving his banks' false information by F for the purpose of securing further funds. So, it seems Mr A was under the spell of F and trusted her advice over his banks'. I say this because many times in the conversation he says he trusts F and he asks her advice on what to say or do next. And therefore, even if Monzo had intervened I think F would've ignored the warning or asked F what steps he should take, so any such warning would not have prevented Mr A from these losses. So I won't be asking Monzo to refund any of the payments Mr A made in relation to this scam.

### **Recovery of funds**

The payments in question are all card payments, so the appropriate recourse would be chargebacks. However, as these payments were to crypto currency providers, the services he paid for are deemed to be provided at the point his money is sent to crypto currency. And as such, there is no reasonable prospect of success on these grounds.

### **Overall**

I appreciate this outcome will come as a disappointment to Mr A, he has suffered a huge loss, and I have sympathy for his situation. It is clear that he has fallen victim to a cruel scam here, but for all the reasons outlined above I don't think it is fair to hold Monzo liable for his loss.

**My final decision**

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 14 November 2025.

Sienna Mahboobani  
**Ombudsman**