

The complaint

Mr O complains that Monzo Bank Ltd ('Monzo') won't refund him the money he lost after he fell victim to a scam.

In bringing his complaint to this service Mr O is represented, but for ease of reading I will refer to Mr O, throughout this decision.

What happened

I issued a provisional decision for this complaint on 14 January 2026. In it I set out the background and my proposed findings. I've included a copy of the provisional decision at the end of this final decision, in italics. I won't then repeat all of what was said here.

Both parties have now had an opportunity to respond to the provisional decision. Monzo responded and accepted the outcome. Mr O's representatives responded and asked for a final decision to be issued, although didn't put forward any new representations.

As all parties have now had the opportunity to respond, I'm going on to issue my 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.

Monzo has accepted the findings of the provisional decision and has not put forward anything new for me to consider. Mr O's representative's have asked for a final decision but also haven't presented any new submissions.

With this in mind, I see no reason to depart from the conclusions I indicated in my provisional decision. I remain of the view that this complaint shouldn't be upheld for the reasons set out in my provisional decision.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr O to accept or reject my decision before 25 February 2026.

Provisional Decision

I've considered the relevant information about this complaint.

I intend to reach a different outcome to that of the Investigator. And in doing so, I wanted to give both parties an opportunity to respond with any further points before issuing my final decision.

The deadline for both parties to provide any further comments or evidence for me to consider is 28 January 2026. Unless the information changes my mind, my final decision is likely to be along the following lines.

If I don't hear from Mr O, or if they tell me they accept my provisional decision, I may arrange for the complaint to be closed as resolved without a final decision.

The complaint

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In bringing his complaint to this service Mr O is represented, but for ease of reading I will refer to Mr O, throughout this decision.

What happened

The background to this complaint is well known to both parties and has been laid out in detail by our Investigator in their view, so I won't repeat it all in detail here. But in summary, I understand it to be as follows.

In or around October 2023, Mr O came across an investment opportunity online. After expressing an interest, he was contacted by somebody claiming to be a registered broker. But unknown to him at the time, he had been contacted by a fraudster.

Believing everything to be genuine, Mr O decided to invest and between October 2023 and November 2023, he sent almost thirty payments, totalling over £15,000, from his Monzo account. The scam saw Mr O making payments to accounts he held with cryptocurrency platforms. His payments, having been converted into cryptocurrency, were subsequently transferred into accounts that were controlled by the fraudsters.

Mr O realised he'd been scammed when he was unable to withdraw a large sum of money and the trading platform, which he had been given access to, disappeared. Mr O raised the matter with Monzo, but it didn't think it was liable to refund Mr O the money he had lost.

Unhappy with Monzo's response, Mr O brought his complaint to this service. One of our Investigators looked into things and thought the complaint should be upheld in part. In summary, our Investigator thought Monzo ought to have recognised that Mr O could be at a heightened risk of financial harm when he made a payment for £3,030 on 6 November 2023. Our Investigator thought Monzo should have intervened at this point and provided Mr O with a warning, and had it of done so, it would have made a difference and Mr O wouldn't have gone ahead with this, or the subsequent payments.

But our Investigator also thought Mr O should bear some responsibility for his loss. In summary, this was because they thought there was enough going on that ought to have led him to have some concerns about the legitimacy of the investment. Overall, our Investigator thought Monzo should refund Mr O 50% of his loss from the payment mentioned above, along with interest.

Monzo didn't agree with our Investigator's view. As agreement couldn't be reached, the complaint has been passed to me for a decision.

What I've provisionally 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'm very aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Having thought about everything carefully, I'm minded to say that I don't think Monzo is responsible for refunding the money Mr O sadly lost. I'm sorry to hear that Mr O has been the victim of a cruel scam. I don't underestimate his strength of feeling, and I know this will come as a disappointment to him, so I'll explain why.

In broad terms, the starting position at law is that a firm is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations 2017 and the terms and conditions of the customer's account. Here, it is not in dispute that Mr O authorised the payments in question, so that means he is liable for them in the first instance, even though he was the victim of a scam.

However, that is not the end of the story. The regulatory landscape, along with good industry practice, 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 victim to scams.

So, in this case, I need to decide whether Monzo acted fairly and reasonably in its dealings with Mr O when it processed the payments, or whether it should have done more than it did. In doing so, I'm mindful that firms, such as Monzo, process a high volume of transfers and transactions each day. And a balance has to be struck as to when it should possibly intervene on a payment(s) against not holding up or delaying its customer's requests.

I don't disagree with our Investigator's position that there was enough going on, at the point Mr O was making a payment for £3,030 on 6 November 2023, for Monzo to have been concerned that he may have been at risk of financial harm, and I agree it ought to have intervened at this point. However, this in and of itself isn't enough for me to say that Monzo are liable to refund Mr O the money he sadly lost. I'd also need to be persuaded that a proportionate intervention would have made a difference and stopped Mr O from losing this money.

A proportionate response from Monzo, would have been for it to carry out some sort of intervention to establish further details surrounding the payments, and to then provide a tailored warning, through its automated functions, based on any apparent risk that may present itself. But I'm not persuaded such an intervention would, more likely than not, have made a difference.

I say that as the evidence I've seen shows that Mr O also made payments from an account he held with another bank, which I'll refer to as B. The messages that Mr O exchanged with the fraudsters, that have been shared with this service for the separate complaints he has raised against Monzo and B, show that he was dealing with the same fraudster. So, it is clear the payments he made from Monzo and B were in relation to the same, or a linked

scam. Importantly, in his submissions to B, Mr O has shared that the fraudsters had coached him to lie to his bank, in order to circumvent the banks fraud defences. Having listened to a call that Mr O had with B, when it blocked one of his payments, it appears that he was following the fraudster's instructions.

With this in mind, I'm satisfied the evidence I've seen, and Mr O's own testimony, supports that he had been subjected to social engineering. So had Monzo intervened and provided Mr O with a warning, as I think it ought to have done, I'm persuaded that on the balance of probabilities and in the individual circumstances of this case he would most likely have been prepared to follow the fraudster's instructions and moved past any warnings and proceeded with this, and the subsequent payments, as he did when B intervened.

Overall, with all things considered and given the circumstances, I don't think Monzo can fairly be held responsible for Mr O's loss, and I don't think, in the individual circumstances of this case, it would likely have been able to prevent Mr O from making these payments.

Thinking next about the recovery of payments, given Mr O sent the money to cryptocurrency wallets he held, before the funds were then moved on to accounts controlled by the fraudsters, there would have been no opportunity for Monzo to have recovered any of the money he sadly lost.

I'm mindful that Mr O has said he was vulnerable at the time the payments were made. I recognise that Mr O has fallen victim to a scam and I'm sorry to hear of the difficult personal circumstances that he has been faced with. But I haven't seen anything to suggest that Monzo were made aware of any vulnerability factors or ought to have identified them, such that it should have known to take additional steps to protect Mr O.

I don't intend any comments or findings I've made in this decision to downplay or diminish the impact this scam has had on Mr O. It's very unfortunate Mr O has lost this money in this way, and I understand the whole experience has been deeply upsetting and I do have a great deal of sympathy for him. But in the circumstances, having carefully considered everything, I don't find Monzo could have reasonably prevented Mr O's loss here. Neither do I find there were any other failings on Monzo's part that would lead me to uphold this complaint.

My provisional decision

For the reasons explained above, my provisional decision is that I don't uphold this complaint.

Stephen Wise
Ombudsman