

The complaint

Miss Z complains that Monzo Bank Ltd won't refund her for two payments she made after falling victim to a scam.

What happened

On 10 October 2019 Miss Z says she received a call, which she thought was from Monzo. She said they told her she would benefit from putting money into a "savings pot" (a type of savings account at Monzo) and went through various options and interest rates. Miss Z says they convinced her to transfer £1,000.00 and told her she would receive confirmation by post. Miss Z set up a new payee and made an online faster payment from her account to a new payee in the name of M.

Miss Z says that when she couldn't see the money in her savings pot and her calls weren't being answered, she realised she'd been the victim of a scam and contacted Monzo through their online chat on 11 October 2019.

On 23 October 2019 Miss Z says she was contacted again by someone she thought was calling from Monzo. She says after being asked a series of questions and discussing savings options they told her if she transferred £1,000.00 to her savings pot that they could double her money and return it to her same day. Miss Z set up a new payee and made an online faster payment from her account to the new payee in the name of Mr A. Miss Z says that when she hadn't received the money the next day, she called on the number she'd been given but there was no answer. So, she called Monzo to report the fraud.

Monzo looked into both of Miss Z's fraud claims but declined to refund her. They said they were unable to assume liability and that they'd contacted the beneficiary banks – but no funds were recovered.

Miss Z was unhappy with Monzo's response, so she brought a complaint to this service.

An investigator looked into Miss Z's complaint and didn't uphold it. They highlighted the following points:

- Miss Z had a savings pot with Monzo, so should know how the account works.
- Miss Z said she had been struggling financially, so it was difficult to understand why she would "invest" £1,000.00.
- Why Miss Z would set up two new payees and make payments to two separate individuals/accounts.
- There were four cash deposits into Miss Z's account minutes before she received the first call, prior to which she didn't have enough funds to make the payment – which was unusual timing. For the second payment Miss Z was called on the same day that her wages were credited to her account, prior to which she didn't have enough funds to make the payment – again unusual timing.
- Miss Z hasn't explained where the four cash deposits came from, who made them or what the funds were for.

- Why Miss Z would fall for the exact same scam a second time when she was aware she'd already been scammed.

Miss Z disagreed with the investigator's opinion, saying she was vulnerable and taken advantage of. She also raised a concern that Monzo had told her that she would be refunded, and she hadn't been.

The investigator responded to Miss Z's points saying they'd reviewed all the online chat messages and couldn't see that Monzo had told Miss Z they would refund her money.

As Miss Z disagreed, the case was passed to me to review.

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.

Having done so my review of the evidence has led me to the same overall conclusions as the investigator previously set out and for the same reasons.

As the investigator very clearly set out, there are a number of concerns with what Miss Z told us about the scam.

Miss Z already had a savings pot with Monzo and used this regularly. So, I think it's fair to suggest that Miss Z should've realised that what she was being asked to do was unusual or different to how she'd used this type of account before. Especially when she was asked to set up two new payees, both of which were set up to names that weren't her own. There is no explanation as to why putting funds into her savings pot, or even a new savings pot in her name would require her to pay funds to accounts held in someone else's name.

It also seems highly unusual that Miss Z had four deposits made into her account (which gave her just enough money to make the first £1,000.00 faster payment) just minutes before the scammer called and suggested Miss Z move money into a savings pot. Miss Z was asked where these funds came from, but we haven't been provided with any details. But even if Miss Z explained where these funds had come from, it's very coincidental that the call came just minutes after the funds were credited. This stands out even more when the second call happened on the day that her wages were paid into her account. Again, prior to her wages being credited Miss Z didn't have enough money to make the second £1,000.00 faster payment. It's not clear how a fraudster would know that Miss Z just had sufficient funds credited to her account to make either payment, and the timing seems too coincidental.

And it raises questions why Miss Z would fall for the exact same scam, less than two weeks later and follow exactly the same instructions without questioning whether or not she was actually talking to Monzo.

Having considered everything that Miss Z has told about what happened, I'm not persuaded that I can fairly ask Monzo to refund her for either payment in these circumstances.

Miss Z raised a point about Monzo saying they would refund her, but having reviewed all the evidence – I haven't seen anything that supports this.

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 Miss Z to accept or reject my decision before 22 April 2021.

Lisa Lowe
Ombudsman