

## The complaint

Miss B complains that Monzo Bank Ltd won't reimburse the money that's been lost to a scam.

## What's happened?

Miss B says that her mother, who I'll refer to as 'M', asked her to pay a bill for another family member and promised to pay her back. Miss B made the requested payment for £1,850 ('the payment') and M has reimbursed her, but it turns out that the payment was made to a scammer who had contacted M pretending to be a family member requiring assistance.

Monzo has declined to reimburse the payment, so Miss B has asked this Service to consider a complaint against the bank.

Our investigator upheld the complaint, but Monzo didn't agree with their recommendation to reimburse the payment. So, the complaint has now been passed to me to decide.

## My provisional decision

I issued my provisional decision on 10 March 2023. I'll set out my findings below.

There is no dispute that Miss B was involved in a scam, and the payment went to a fraudster. However, this complaint is brought by Miss B in her sole capacity. And I'm not currently persuaded that Miss B has suffered a financial loss as a result of her involvement in the scam.

M fell victim to the scam – she asked Miss B to make the payment on her behalf and she has reimbursed Miss B as promised. So, it is M that has ultimately lost funds to the fraudsters, and M that is out of pocket because of the scam, not Miss B. Miss B and M are separate legal entities and, although I appreciate that the payment went from Miss B's account to the fraudsters, and it was at this point that funds became irretrievable, I'm not persuaded it would be fair to tell Monzo to pay Miss B £1,850 when she isn't out of pocket by this amount.

The key consideration in the particular circumstances of this case is not *when* the point of loss occurred, but *who* has suffered the financial loss. So, whilst I've taken on board all of the evidence and arguments provided, even if I were to be persuaded that Monzo has made an error here, I don't consider that it would be fair or reasonable to instruct the bank to reimburse the £1,850 that has been lost. The role of the Financial Ombudsman Service is to place customers in the position they would have been in but for the error taking place, and in this particular case, Miss B is already in that position as no losses were incurred by her as a result of the scam. It would not be reasonable for me to require Monzo to pay redress to a party who has suffered no actual financial losses. It is also not reasonable for me to ask Monzo to pay financial redress to someone on behalf of someone else.

I am very sorry to hear about the situation Miss B has found herself in. But I'm not currently persuaded that she has suffered a financial loss here.

## Responses to my provisional decision

Monzo didn't respond to my provisional decision.

In summary, Miss B reiterated that M has suffered a financial loss, and she said that M has not been able to raise her own or a joint fraud claim with Miss B, nor has she been advised to do so.

## **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.

Neither party has provided any new information or evidence relating to the payment or Miss B's complaint against Monzo. So, I see no reason to depart from the conclusions I set out in my provisional decision.

I sympathise with the situation Miss B has found herself in. But it remains the case that she has not suffered a financial loss here. I do not consider that it would be fair or reasonable to require Monzo to pay Miss B £1,850 when she is not out of pocket by this amount, and I'm not persuaded that it would be fair or reasonable to ask Monzo to pay Miss B financial redress on M's behalf.

## **My final decision**

For the reasons I've explained, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 24 April 2023.

Kyley Hanson  
**Ombudsman**