

## **The complaint**

Mr H complains that Monzo Bank Ltd will not refund money that's been debited from his account.

## **What happened**

On 27 September 2022, a payment of £4,155 was made from Mr H's account to a new payee.

The next day, Mr H contacted Monzo and said he hadn't made the transaction and asked for it to be reversed. He said the money hadn't been sent by him and he was unaware of the payment. He suggested that someone else had accessed his device.

When Monzo declined the claim, Mr H said he'd made the payment himself and was tricked into sending it as part of a bank impersonation scam. He said he'd received a phone call from someone claiming to be from the bank's fraud department and was told that his money was at risk and a new account needed to be set up for him. Mr H explained that he was busy at the time of this call and didn't think much of it, but when he missed calls from that number again over a week later, he called back and was told that he needed to move his money into the new account. Mr H says he thought it was odd that the account wasn't in his own name but accepted what he was told about the new account belonging to bank staff.

Mr H said initially he thought someone else had accessed his device, but he'd since gathered more information and remembered what happened. Mr H said he'd reported the payment as unauthorised as he thought this would be the quickest way to get the money back. He explained he couldn't afford to lose it as it was his student finance. Mr H said he'd contacted Monzo within 24 hours of the payment being made and didn't understand why the money hadn't been reversed and sent back. Mr H explained that he was receiving threatening messages on his phone and on social media from the person who he suspects carried out the scam.

Monzo looked into the case again in light of Mr H's further information but did not change its position. In its final response letter, Monzo said it had followed its internal processes properly and offered appropriate advice. It felt Mr H didn't take enough steps to check who he was paying and what for.

As Mr H was unhappy with Monzo's position, he referred his complaint to this service. Our Investigator looked into the situation but did not recommend that it should be upheld. She said Monzo's investigation was hindered when Mr H deceived the bank about how the payment was made. She thought Mr H had doubts about what he was being told to do. She wasn't persuaded there was an urgent risk and suggested the reason Mr H had been given as to why the account wasn't in his name was not plausible.

Mr H was disappointed and asked for the complaint to be reviewed again. As no agreement could be reached, the complaint has now been referred to me.

## **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.

I have summarised the matter in my own words and in less detail than has been provided. No discourtesy is intended by this as it enables me to focus on the key issues of this complaint and its surrounding investigation.

The starting position at law is that Monzo is expected to process payments and withdrawals that its customer authorises it to make. As Mr H agrees that he made the payment himself, he is presumed liable for it, even though he's later said he was tricked into doing so. Once a faster payment has been authorised, the funds will be received by the payee almost immediately after leaving the sender's account. It is not possible to recall or cancel a faster payment once it has been sent, so Mr H's expectation that Monzo could return the funds to him because he'd reported it within 24 hours of the money leaving his account was sadly mistaken.

It is important for me to point out that Monzo does not automatically have to refund scam victims. There are some circumstances where it might be fair and reasonable for Monzo to take responsibility for losses incurred by a victim of a push payment scam, but from what I have seen, I cannot fairly agree that they apply in this case.

The difficulty here is it is not very clear exactly what happened or how it happened. Mr H has changed his account of the key events, which are significant details that go to the very heart of this complaint. He's provided different explanations of the circumstances surrounding the disputed payment and it was only after his claim was declined that he suggested he'd been the victim of a scam. But this means Mr H has acted dishonestly and obstructively in a material respect. As such, I can't place much weight on what Mr H has said and described as being an accurate version of events.

In addition, I am not persuaded by Mr H's evidence of the alleged scam. Mr H has provided us with copies of threatening messages that he received. There is no question that these messages are unpleasant. But the tone of the correspondence suggests to me that Mr H might know the sender. Mr H's screenshots show a message was received at 12:18 on 27 September 2022. The message said *"You need to cancel that shit with the bank cah people know where you live and your involving our mom" [sic]*. In my experience, it is unusual for a fraudster to send threatening messages to a scam victim. I'm also mindful that Mr H did not dispute the payment with Monzo until 28 September 2022 and that Monzo's records show the disputed payment was made at 18:26 on 27 September 2022.

I don't doubt that not having this money has been very hard for Mr H. This is a lot of money for anyone to lose and I am particularly mindful of the impact it has had on Mr H's university experience. He's provided evidence to show he's had to apply for financial support from the university's hardship fund to be able to buy food and pay his rent. It's clear that this has not been an easy time for him. But I think Mr H probably knows more about this payment than he's told us. Mr H has told us he was fearful for his safety so it is possible that he got caught up in a situation that escalated. My role is to consider whether Monzo has any responsibility to refund the money in dispute. I know this will disappoint Mr H, but in these circumstances, I can't fairly and reasonably say that it does.

## **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 H to accept or reject my decision before 20 June 2023.

Claire Marsh  
**Ombudsman**