

## **The complaint**

Mr N complains that Monzo Bank Ltd will not refund money he lost to a scam.

Mr N is represented by C. For ease, I've referred to comments made by C as though made by Mr N.

## **What happened**

The details of this complaint are well known to both parties, so I won't repeat it all again here.

To summarise, Mr N said he was contacted through a third-party messaging service about a job reviewing products to help increase their ratings and visibility.

In June 2022, Mr N made several payments totalling £23,769.39 to what he believed was a genuine job opportunity, before Monzo subsequently closed his account. He said initially he made payments to increase his status and earn more commission. Mr N said his work account would also appear to fall into a negative balance, and the scammer told him to make payments to clear the deficit.

Mr N said he realised he had been scammed when he could no longer contact the scammer. He complained to Monzo, but it did not refund the money he lost.

Our investigator didn't think the complaint should be upheld. She said the payments were not particularly unusual or suspicious in appearance and she didn't think Monzo could reasonably have been expected to prevent the loss.

Mr N doesn't agree with our investigator and asked for an ombudsman's decision. As such, the complaint has been passed to me to decide.

## **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, I agree with the outcome our investigator reached and for similar reasons. I know this will be disappointing to Mr N, but I'll explain my reasons why.

Taking into consideration the relevant regulatory rules and guidance, codes of practice and good industry practice, Monzo should take steps to identify and where possible prevent sufficiently unusual or uncharacteristic payments to help protect its customers from financial harm resulting from fraud.

Even so, I think it's important to also highlight that there are many payments made by customers each day, and it's not reasonable to expect the bank to stop and check every payment instruction to try to prevent fraud or financial harm. There's a balance to be struck between the extent it intervenes in payments to protect customers, and not unnecessarily disrupting legitimate payment instructions.

As Mr N made faster payments directly to individuals, I'm not persuaded that Monzo could have identified that the payments related to the purchase of cryptocurrency.

Having reviewed Mr N's account activity, I don't find any of the payments were sufficiently uncharacteristic or unusual for them to have caused Monzo concern. I say this because I noted there were payments made of similar and greater value in the 12 months prior to the scam. The payments complained of were made over a period of a few weeks, and almost two weeks went by without payments to the scam. Whilst I accept that on some occasions Mr N made several payments on the same day, I don't think they were of significant value when considered in the context of the vast number of payment instructions Monzo receives. There was also no clear pattern of the payments increasing in value which is something we commonly see with payments made because of a scam.

I accept that Mr N made payments to several new beneficiaries, however Monzo has shown he was provided with new payee warnings, and I think that's reasonable in the circumstances. Overall, I don't find the payments here to have been sufficiently unusual, uncharacteristic of Mr N's account usage, nor were they of remarkable value such that Monzo ought reasonably to have been concerned he was at risk of harm from fraud and intervened.

Given the length of time that had passed before Mr N reported to Monzo, and that the payments were for the purchase of cryptocurrency and to genuine sellers, I am not persuaded there were any prospects of Monzo recovering Mr N's funds.

I have thought carefully about everything that happened, I understand these have been challenging times for Mr N and he will be disappointed with the outcome, but for the reasons I've given, I don't find Monzo is responsible for his loss.

### **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 N to accept or reject my decision before 20 May 2025.

Oluwatobi Balogun  
**Ombudsman**