

The complaint

Ms H complains that Monzo Bank Ltd should've done more to prevent her falling victim to a job scam.

What happened

The details of this complaint are well known to both parties, so I won't repeat them again here in detail. The facts are not in dispute, so I'll focus on giving the reasons for my decision.

Ms H fell victim to a job scam where she believed she was earning commission from a large film company. She thought she'd be paid through a digital exchange and then could withdraw these funds into her bank account. Through Monzo she made five payments between September and October 2023. She discovered she'd been scammed when the person who introduced her stopped replying to her messages.

Ms H complained to Monzo about the payments and asked it to refund her. Monzo didn't respond to Ms H's complaint, so she came to our service. Our investigator didn't uphold her complaint, but let her know Monzo had offered her £125 for the way it handled her complaint. He explained she should contact Monzo directly about this offer.

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 conclusions reached by the investigator for these reasons:

- In broad terms, the starting position at law is that a business is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of the customer's account.
- Ms H acknowledges she authorised these payments. There are, however, some situations where we believe that businesses, taking into account relevant rules, codes and best practice standards, shouldn't have taken their customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment. So I've considered if that's the case here.
- While I accept this was a large sum of money to Ms H, I don't consider her payments to this scam were of a value; frequency; or made in a pattern that should've concerned Monzo. While she has limited use of this account, these payments were in keeping with the other transactions she had previously made.
- Ms H was paying individuals directly for cryptocurrency in what's known as 'peer to peer' payments. This meant Monzo wouldn't have known what she was doing unless it intervened and asked her, as these payments look like transfers between two people.

And I don't consider any of the scam payments looked suspicious or concerning, so that Monzo needed to intervene.

- Ms H also provided us with her messages with the scammer and our service has another case for her related to this scam. Taking into account the messages and her actions on the other case, I'm satisfied that Monzo wouldn't have been able to identify what was going on had it questioned Ms H, as she was coached to mislead the other firm involved.
- As Ms H paid people for genuine cryptocurrency which she received and then sent to the scammer, I don't think Monzo reasonably could've recovered her funds.
- While I accept this will be disappointing to Ms H, I'm not concluding that Monzo has done anything wrong, so I don't uphold this complaint.

My final decision

For the reasons set out above, I don't uphold Ms H's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms H to accept or reject my decision before 10 October 2024.

Amy Osborne
Ombudsman