

The complaint

Mr F complains about Monzo Bank Ltd.

He says that Monzo didn't do enough to protect him when he fell victim to a scam and would like Monzo to refund him the money he has lost as a result.

What happened

Mr F unfortunately fell victim to a safe account scam – and suffered a loss of £45,606.45.

Mr F received a phone call supposedly from B, another bank, where it was explained to him that his identity had been compromised, and that his money was at risk. In order to protect his money, Mr F needed to download the screen sharing software Anydesk, and move his funds from his account with B, as well as his account with Monzo, and H and T (two other banks). Mr F was told that the money would need to be moved to Financial Conduct Authority (FCA) approved secure accounts

He was also told that he needed to apply for the maximum loan and overdraft amount (£25,000 and £750) to prevent a fraudster being able to apply for any further lending in his name – and these funds were also transferred to the scammer.

On 21 February 2024, Mr F contacted Monzo and told it that he thought he had been the victim of a scam. Monzo was able to recover £143.55 of Mr F's money, but the rest of the funds were lost.

Mr F then made a complaint about what had happened, but Monzo didn't uphold it, so the complaint was brought to this Service.

Our Investigator looked into things, but didn't think that the complaint should be upheld. Mr F then asked for a final decision to be made, so the complaint has been passed 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.

Having done so, I've decided not to uphold this complaint. I know this will be disappointing for Mr F, so I'll explain why.

It isn't in dispute here that Mr F has been the victim of a scam – and I am very sorry to hear of the situation he now finds himself in. However, even when a scam has occurred, it doesn't necessarily mean that a bank needs to refund the money that has been lost. It is also important to remember that it isn't Monzo that has caused the loss, but the scammer.

Mr F authorised the payments he made. Because of this the starting position – in line with the Payment Services Regulations 2017 – is that he's liable for the transaction. But Mr F says that he has been the victim of an authorised push payment (APP) scam.

Monzo has agreed to adhere to the provisions of the Lending Standards Board Contingent Reimbursement Model (the CRM code) which requires firms to reimburse customers who have been the victims of Authorised Push Payment (APP) scams like the one Mr F fell victim to, in all but a limited number of circumstances.

A customer who has fallen victim to a scam should, under the CRM Code, be refunded in full in most circumstances. But the Code does set out exceptions to reimbursement which a business can choose to rely on, if it can evidence that they apply.

Generally, there are two exceptions to reimbursement under the CRM Code (there are other exceptions, but these do not apply here)

- Mr F ignored an 'Effective Warning'

- Mr F made the payments without a reasonable basis for belief that they were for genuine goods/services; and/or the supposed investment was legitimate

Looking at the payments Mr F made, I do think that Monzo was required to provide Mr F with an effective warning about what he was doing – the payments were unusual enough for it to have had concerns that Mr F may have been at risk of financial harm.

However, I am unable to uphold a complaint purely on this basis – as I also need to consider if Mr F prevented Monzo from being able to provide him with an effective warning about what he was doing – and I think that he did.

Monzo interrupted several of the payments Mr F made as part of the scam – and told him via chat, that fraudsters will pretend to be banks, or other officials, and tell customers that their accounts are in danger, and that they needed to move money – it also said that legitimate organisations would not do this.

Monzo also spoke with Mr F over the phone about the payments – but Mr F misled them. He told them that the payments were for building work, that he knew the payee (and had done for some time) and went as far to produce an invoice for the work he told Monzo had already been completed and was happy with. Had Mr F been truthful about what he was doing – I think that Monzo would have recognised that he was falling victim to a scam and told him so.

I also don't think that Mr F had a reasonable basis for believing what the scammer told him – the call came out of the blue, and while Mr F says that the scammer knew information about him, I don't think that what the scammer told him was believable or logical.

The need to move money to an FCA approved account may have seemed reasonable to Mr F in the moment – but the accounts he was told to move money to were in the names of individuals, not Mr F – and I also think he could have questioned why the bank could not simply freeze his accounts to protect his money if it was at risk.

I also find that the reasons given to Mr F as to why he needed to apply for lending don't seem to make sense – especially given that he was told to move the funds to another account.

Finally, Mr F told Monzo that the payments were to pay for building work, and presented an invoice for this too – and while he may have been told to do so by the scammer, I think that Mr F should have questioned why he should fabricate a story of this extent, and he should have been suspicious of what was being asked of him.

I am also satisfied that when Monzo became aware of the scam, it attempted to recover Mr

F's money – but was only able to recover a small amount of his funds.

I am very sorry that Mr F has fallen victim to such a cruel scam, and I know that he has lost a lot of money and is rightly upset by what has happened. But the loss here is the fault of the scammer – not Monzo and as I don't think that Monzo is at fault, despite the CRM code applying to Mr F's complaint, I don't find that it is required to reimburse Mr F his losses.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 27 August 2025.

Claire Pugh
Ombudsman