

## **The complaint**

Miss A complains Monzo Bank Ltd didn't do enough to help her when she fell victim to a scam.

## **What happened**

Miss A has an account with Monzo.

Miss A says she contacted Monzo on 6 February 2024 to say she'd just tried to pay for some accommodation abroad and realised she'd been scammed. She asked Monzo to stop the payments she made going out of her account. She says she realised she'd been scammed when she saw that she'd in fact made two payments to cryptocurrency. Miss A says the agent she spoke to told her that the payments were "pending" and hadn't left her account so she'd be refunded in a week or so. Two days later Miss A says she saw the payments leave the account. She says she contacted Monzo again and was told that the agent she'd spoken to had "miscommunicated" and that once payments were "pending" they'd leave the account if the merchant claimed them. She says she was then told the payments had been returned to her account only to be told this wasn't the case either. Miss A complained to Monzo saying she wanted it to stick to the original agreement and that the way it had handled her claim had caused additional distress.

Monzo looked into Miss A's complaint and said that it wouldn't be refunding her as she'd approved the payments and hadn't, for example, done sufficient research before making them and ignored a number of red flags that this was a scam. For example, Monzo said the amount she'd paid for her accommodation was too good to be true. Monzo did, however, agree that its agent had given her incorrect information when she originally called. Monzo offered £50 in compensation for the distress and inconvenience caused. Miss A was unhappy with Monzo's response and so complained to our service.

One of our investigators looked into Miss A's complaint and said that they didn't agree she'd been careless. However, they also didn't think that the payments she made were sufficiently unusual or concerning to have warranted additional intervention on Monzo's part. Nor did they think Monzo would have been able to recover Miss A's money even if it had acted sooner. They did, however, recommend an additional £50 in compensation. Monzo accepted. Miss A didn't. She sent in detailed submissions as to why, amongst other things, the payments were unusual for her and why, therefore, Monzo should have intervened more. Miss A asked for her complaint to be referred to an ombudsman for a decision. Her complaint was, as a result, 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.

I agree with our investigator that Miss A wasn't careless when it came to making these payments – she'd booked accommodation abroad before and carried out a number of checks before booking what she thought was accommodation again. For some reason, the

payment went through twice. I can see from the chat that Monzo has sent that Miss A has had problems with this before.

I agree too with Miss A that she contacted Monzo very quickly. Unfortunately, in this case there was even at that stage very little, if anything, Monzo would have been able to do in order to recover her money for the reasons our investigator has already given.

I agree too with Miss A that the first agent she chatted to gave her false hope – saying that the payments hadn't left her account and wouldn't do so. I can, therefore, completely understand why Miss A would have been so upset when the payments left her account two days later. And I can completely understand why she told Monzo that she expected it to stick to that original agreement. But the right remedy in a case like that is compensation for the distress and inconvenience caused.

I can see that Miss A meant to make one payment of £1,326.41 but in fact made two payments of £1,326.41 – these two payments were four minutes apart. And I can see why Miss A has said two payments of that size to cryptocurrency in such a short space of time was unusual for her. I agree, however, with our investigator that they're not sufficiently unusual to have warranted additional intervention from Monzo although it's very finely balanced. Unfortunately, that means I can't say Monzo should have done more in this case.

### **Putting things right**

Monzo has agreed to pay Miss A £100 in compensation for the distress and inconvenience the handling of the claim caused. I accept that Miss A has been caused a very significant amount of distress given what has happened and what was going on in her life at the time. But it's the scammer, not Monzo, that caused most of this. Nevertheless, having spoken to Miss A and having read the file, it's clear that Monzo's handling of her claim caused significant additional distress and inconvenience for which an award £100 isn't adequate.

In her original response to us, Miss A said she thought £300 was more reasonable. Since I spoke to her, she's said that she feels Monzo's handling of her claim falls within the bracket where we make an award of between £1,500 to £5,000. In other words, where the mistakes cause sustained distress, potentially affecting someone's health, or severe disruption to daily life typically lasting more than a year.

Following my involvement, Monzo has agreed to pay £500 in compensation – in other words, an additional £400 on top of the £100 it has already paid.

I've considered very carefully all the additional information Miss A has sent me – it's clear she's put a lot of time into putting it together. I do, however, feel that an award of £500 is fair in this case for reasons I've explained to Miss A when we've spoken and corresponded. So, that's the award I'm going to make. I appreciate that Miss A feels more compensation would be appropriate, and I'm sorry that this decision will likely be disappointing for her.

### **My final decision**

My final decision is that I'm upholding this complaint and require Monzo Bank Ltd to pay Miss A £500 to compensate for her for the significant additional distress and inconvenience it has caused her.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 12 February 2025.

Nicolas Atkinson  
**Ombudsman**