

## **The complaint**

B complains Monzo Bank Ltd (“Monzo”) failed to implement adequate security measures when allowing B to mistakenly complete a faster payment for £79,166 instead of £791.66.

## **What happened**

The facts of this case are well known to both parties, so I won’t repeat them in detail here.

In short, B says it made a mistake when making a faster payment to a new payee and sent £79,166 instead of sending £791.66. B says it acknowledges the mistake was its own, but Monzo should have security measures in place to prevent such a large sum of money being sent to a new payee without further checks. It says it regularly has smaller payments blocked by Monzo’s systems, and it must be an error that this payment was not also blocked.

Monzo says it completed the payment instruction correctly and in-line with its procedures and the terms and conditions of the account. It says B increased its daily faster payment limit, allowing payments over £50,000, and there was nothing suspicious or out of character which should’ve raised a flag. Therefore, it says it hasn’t done anything wrong.

Our investigator considered this complaint and decided not to uphold it. B didn’t agree so the complaint has been passed to me to consider.

## **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.

The payment in dispute was a faster payment made online from B’s Monzo account to a new payee. The payment details were entered by B, and it has provided evidence to show that B would’ve seen a confirmation screen after entering all the payment details to confirm the payee and amount of the transaction. Only after confirming on this screen would Monzo have completed the payment instruction. B says it recognises that it was at fault for entering the incorrect amount, but Monzo should have blocked or flagged the payment, or asked for additional verification before allowing the payment to be submitted.

As a Service we can consider what has happened and what we think should’ve happened in the circumstances. We do this by taking into consideration the laws, guidance and general practices that apply. But we cannot tell a business to change its processes or practices. We can only look at individual circumstances and come to a decision which is fair to both parties.

Monzo says the transaction was not blocked by its systems because it was not significantly out of character and there was nothing which indicated the transaction might be fraudulent. Usually, we would expect unusually large payments, perhaps international payments, or payments significantly out of character to be flagged. The payment in dispute was not significantly high in relation to other incomings and outgoings in the account, and there was no indication that this could have been fraudulent – like incorrect login attempts or logins from another country. So, I can’t say that Monzo has done anything wrong by not blocking

this payment as suspicious.

I've also considered the terms and conditions of the account. These state a list of reasons why Monzo may not abide by a payment instruction, but outside this list both parties have agreed that payment instructions should be followed as requested. Entering an incorrect amount is not within that list, and these terms make it clear that once consent for a payment instruction is made, it cannot be withdrawn.

The standard daily payment limit is set at £50,000 for business accounts. However, Monzo has provided evidence that on 31 May 2024 several payments were being blocked by its system as B had reached its daily limit for faster payments. The account notes indicate that it spoke with B and B explained that it needs to pay wages and other expenses, so the limit needs to be increased. Monzo then increased the daily limit to £105,102 at the customer's request. Therefore, the transaction for £79,166 was not blocked or flagged as reaching the customer's daily limit.

B says Monzo and other banks regularly block payments for much smaller amounts, and that it was an oversight by Monzo's system that allowed this error to take place. I have not looked into the reasons why other payments B has evidenced were blocked, however as I've stated above, I've seen no reason why it would be fair to conclude Monzo should have blocked this payment.

I know this outcome will come as a disappointment to B, it is a lot of money and I have sympathy for the situation it finds itself in. However, for the reasons outlined above I don't think it's fair to say Monzo should've done anything more to prevent B's error. I think B may need to explore other avenues to resolve this dispute.

### **My final decision**

I am not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask B to accept or reject my decision before 26 April 2025.

Sienna Mahboobani  
**Ombudsman**