

## The complaint

Miss B complains that Monzo Bank Ltd won't refund her the money she lost after she fell victim to an Authorised Push Payment (APP) scam.

## What happened

The background to this complaint is well known to both parties so I won't repeat it all in detail here. But in summary, I understand it to be as follows.

In or around June 2024, Miss B came across a job opportunity. She was told the job involved reviewing trips online, to help boost their ratings, for which she would earn a salary and a commission. Believing everything to be genuine Miss B proceeded, but unknown to her at the time, she had been contacted by fraudsters. The fraudsters then persuaded Miss B to pay her own money in order to proceed with the work.

Miss B was instructed to open an account with a cryptocurrency platform. She sent money to individuals who were selling cryptocurrency through 'peer-to-peer' exchange platforms. Once her money had been converted into cryptocurrency and sent to her wallet, she was then instructed to send it to accounts controlled by the fraudsters.

As part of the scam, Miss B used her Monzo account to make the following payments as part of the scam;

Payment number	Date and time	Payee name	Amount
1	24/6/2024 (time unconfirmed)	Payee 1	£21*
2	26/06/2024 (time unconfirmed)	Payee 2	£142
3	27/6/2024 at 19.13	Payee 3	£100
4	27/6/2024 at 19.14	Payee 3	£100
5	27/6/2024 at 19.14	Payee 3	£100
6	27/6/2024 at 19.14	Payee 3	£100
7	27/6/2024 at 19.15	Payee 3	£90
8	28/6/2024 at 22.13	Payee 3	£50
9	29/6/2024 at 21.38	Payee 3	£100
10	29/6/2024 at 21.39	Payee 3	£100
11	29/6/2024 at 21.39	Payee 3	£200
12	29/6/2024 at 21.39	Payee 3	£200
13	29/6/2024 at 21.40	Payee 3	£200
13	29/6/2024 at 21.40	Payee 3	£104
		<i>Total Loss</i>	<i>£1,586*</i>

(\*Miss B has confirmed this £21 was returned to her, so it has not been included in the total loss).

Miss B realised she'd been scammed when she was asked to pay larger sums. She raised a fraud claim with Monzo, but it didn't agree to reimburse her. It did, however, recognise that the service it offered could have been better and in recognition of this it paid Miss B £55 as a gesture of goodwill. Monzo attempted to recover the money Miss B had lost from the beneficiary banks (the banks to which the payments were made), but unfortunately no funds remained.

Unhappy with Monzo's response, Miss B brought her complaint to this service. One of our Investigator's looked into things and thought the complaint should be upheld in part. In summary, our Investigator thought Monzo ought to have recognised that Miss B could be at a heightened risk of financial harm when she made payment seven in the table above (the payment for £90 on 27/6/2024 at 19:15). Our Investigator thought Monzo should have intervened at this point, and had it of done and warned Miss B, it would have made a difference and Miss B wouldn't have gone ahead with the payment.

But our Investigator also thought Miss B should bear some responsibility for her loss. In summary, this was because he thought there was enough going on that ought to have led her to have some concerns about the legitimacy of the job. Overall, our Investigator thought Monzo should refund Miss B 50% of her loss from payment seven, along with interest.

Monzo agreed with our Investigator's view, but Miss B didn't. As agreement couldn't be reached, the complaint has been passed to me for a final decision.

### **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.

It isn't in dispute that Miss B authorised the payments she made to the scammers. And the starting position is that banks ought to follow the instructions given by their customers in order for legitimate payments to be made. There are though some circumstances in which a bank may still be reasonably expected to reimburse a customer for payments made to a scam.

I've considered whether Monzo should have done more to prevent Miss B from falling victim to the scam, as there are some situations in which a bank should reasonably have had a closer look at the circumstances surrounding a particular transfer. For example, if it was particularly out of character. When considering what payments should be considered significantly out of character, it's often a finely balanced matter – and firms have a difficult balance to strike between identifying transactions where there are indications of higher fraud risks, and allowing customers to utilise their accounts as they want to with minimal, unnecessary disruptions.

With all of this in mind, I agree with our Investigator's view, and broadly for the same reasons. I'm persuaded Monzo ought to have intervened in the payments being made by Miss B and that the point at which Monzo ought to have stepped in is payment seven. By this point Miss B was making the seventh payment, within the space of just a couple of days, to a third new payee. I'm satisfied that, while the values in and of themselves may not have caused Monzo concern, the pattern and frequency of the payments represented a significant departure from how Miss B typically operated her account, in the months leading up to the scam.

The intervention from Monzo ought to have involved questioning to help identify the purpose of payment and type of scam Miss B may have been at risk of. Had such an intervention occurred, with proportionate questioning, I'm persuaded it's more likely than not Miss B would have explained to Monzo what she was doing and why. That would then have clearly revealed the scam to Monzo who could in turn have prevented Miss B from proceeding. There's no evidence to suggest she wouldn't have been honest with Monzo or wouldn't have heeded its warnings. It follows that I think Monzo should be, at least in part, liable for Miss B's loss from this point.

#### *Should Miss B bear any responsibility for her losses?*

In reaching a decision on this point, I've taken into account what the law says regarding contributory negligence, while keeping in mind that I must decide this complaint based on what I consider to be fair and reasonable in all the circumstances. Having done so, I am persuaded that it would be fair and reasonable for Monzo to make a deduction from the compensation payable to Miss B because she ought to bear some responsibility for what happened here.

While I accept Miss B believed that these payments were being made in connection with a legitimate employment opportunity, I'm not persuaded that belief was a reasonable one. There was no formalisation of the arrangement between her and the employer – for example, there was no written contract and indeed no clear setting out of the terms of her employment.

In addition to that, the arrangement was an inversion of the normal employer-employee relationship. In most circumstances, people expect to be paid by their employer, rather than the other way around. As far as I can see, there wasn't really any attempt to explain this uncommon arrangement. I also think the level of salary and commission being offered seemed inflated, considering the nature of the work that was being carried out.

Overall, I think it's fair and reasonable for Monzo to make a 50% deduction from the redress payable to her.

#### *Recovering Miss B's money from the recipient accounts*

I've thought about whether Monzo did what could be expected of it to recover any of the funds Miss B lost, when it was made aware of the scam. Given the funds had been sent to individuals, following which they were exchanged into cryptocurrency, which was sent to Miss B and then moved onto accounts controlled by the fraudsters, any attempted recovery would have had a limited prospect of success. That said, I can see Monzo did attempt to recover the money Miss B had lost from the beneficiary accounts, but unfortunately this was unsuccessful.

#### *Distress and Inconvenience*

I note that Monzo offered, and seemingly paid, £55 as compensation to recognise that the level of service it provided fell below its standards. It acknowledges that it didn't respond in a timely manner to Miss B and failed to keep her updated.

When considering Monzo's offer, I am mindful that the majority of the distress and inconvenience caused here was as a result of the scam Miss B fell victim to. But having delayed responses would have undoubtedly caused Miss B unnecessary inconvenience. Overall, I'm glad to see that Monzo has proactively recognised this when it reviewed Miss B's formal complaint, and I would have been inclined to award a similar amount as recognition for its failings here.

### **Putting things right**

For the reasons given above, I uphold this complaint in part and direct Monzo Bank Ltd to:

- Refund Miss B £522 (being 50% of £1,044, the value of the final eight payments)
- Pay 8% simple interest per year on this amount, calculated from the date of loss until the date of settlement, minus any applicable tax.

### **My final decision**

My final decision is that I uphold this complaint in part and direct Monzo Bank Ltd to pay the redress outlined above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss B to accept or reject my decision before 29 July 2025.

Stephen Wise  
**Ombudsman**