

The complaint

Ms G complains that Monzo Bank Ltd (Monzo) is refusing to refund her the amount she lost as the result of a scam.

Ms G has previously been represented by a third party. To keep things simple, I will refer to Ms G throughout my decision.

What happened

The background of this complaint is well known to all parties, so I won't repeat what happened in detail.

In summary, Ms G received a message via social media advertising a remote working role for a business I will call "X". Ms G was advised that the role included promoting social media channels and that she would receive a commission for the tasks she completed.

X appeared to be a professional business and Ms G was added to a group chat that appeared to include other people working in the same role. Ms G viewed X's website which also appeared to be legitimate with features common with other sites she had seen. Ms G continued by setting up an account with X, providing her personal information as part of the process.

X explained that Ms G's account had been pre-loaded with funds to allow her to complete the initial tasks. Ms G started to complete the tasks and could see she was making a profit but was soon required to add funds of her own.

Ms G made several payments and then tried to make a withdrawal from her account with X, but realised her balance was in a negative. Ms G contacted X but at this point it couldn't persuade Ms G of its legitimacy, and Ms G realised she had fallen victim to a scam.

Ms G has disputed the following payments:

Payment	Date	Payee	Payment Method	Amount
1	10 July 2024	Remitly	Debit Card	£22.99
2	10 July 2024	Remitly	Debit Card	£62.99
3	10 July 2024	Remitly	Debit Card	£182.99
4	10 July 2024	Remitly	Debit Card	£1,052.99
5	11 July 2024	Remitly	Debit Card	£1,012.99
6	11 July 2024	Remitly	Debit Card	£1,452.99
7	11 July 2024	WUI	Debit Card	£550.00

Our Investigator considered Ms G's complaint and didn't think it should be upheld. Ms G disagreed, so this complaint has been passed to me to decide.

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 has not been disputed that Ms G has fallen victim to a cruel scam. The evidence provided by both Ms G and Monzo sets out what happened. What is in dispute is whether Monzo should refund the money Ms G lost due to the scam.

Recovering the payments Ms G made

Ms G made payments into the scam via her debit card. When payments are made by card the only recovery option Monzo has is to request a chargeback.

The chargeback scheme is a voluntary scheme set up to resolve card payment disputes between merchants and cardholders. The card scheme operator ultimately helps settle disputes that can't be resolved between the merchant and the cardholder.

Such arbitration is subject to the rules of the scheme, meaning there are only limited grounds and limited forms of evidence that will be accepted for a chargeback to be considered valid and potentially succeed. Time limits also apply.

Ms G was dealing with X, which was the business that instigated the scam. But Ms G didn't make the debit card payments to the scammer directly, she paid separate remittance service providers. This is important because Monzo was only able to process chargeback claims against the merchants she paid, not another party.

The service provided by the remittance service providers would have been to convert or facilitate conversion of Ms G's payments into a different currency, and/or send the funds as requested to an external account. Therefore, they provided the service that was requested.

The fact that the funds Ms G sent to the legitimate providers later ended up in the hands of the scammer doesn't give rise to a valid chargeback claim against the merchants Ms G paid. As the remittance providers provided the requested services to Ms G any chargeback attempts would have no chance of success.

Should Monzo have reasonably prevented the payments Ms G made?

It has been accepted that Ms G authorised the payments that were made from her account with Monzo, albeit on X's instruction. So, the starting point here is that Ms G is responsible.

However, banks and other Payment Services Providers (PSPs) do have a duty to protect against the risk of financial loss due to fraud and/or to undertake due diligence on large transactions to guard against money laundering.

The question here is whether Monzo should have been aware of the scam and intervened when Ms G made the payments. And if it had intervened, would it have been able to prevent the scam taking place.

The payments Ms G made in relation to the scam were relatively low in value, and although Ms G hadn't made payments to the payees before, they were being made to legitimate businesses. With this in mind, I don't think it was unreasonable that the payments Ms G made in relation to the scam didn't cause Monzo to have concerns that Ms G may have been at risk of financial harm, and that it didn't intervene.

As I don't think Monzo was required to intervene when Ms G made the disputed payments, I don't think it missed an opportunity to prevent the scam, and it is not responsible for Ms G's loss.

Ms G says she had difficulty reporting the scam through Monzo's app and she is not happy with the service she received, but overall, I don't think anything Monzo did was detrimental to her or requires Monzo to make an offer of compensation.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms G to accept or reject my decision before 14 August 2025.

Terry Woodham
Ombudsman