

The complaint

Mr P complains that Monzo Bank Ltd won't reimburse money he lost to a scam.

What happened

The background to this complaint is well known to both parties so I won't repeat it in detail again here. In summary, in November 2024, Mr P made several payments totalling approximately £7,000 as a result of a task-based job scam.

Mr P said he was told he would be paid for completing a set number of tasks providing reviews on products online. He realised it has been a scam when he was asked to make a large payment before he would be able to withdraw any of his funds. Mr P raised the matter with Monzo but it didn't reimburse the money he lost and it didn't uphold his subsequent complaint.

Our Investigator didn't think the complaint should be upheld. He didn't think the payments were particularly unusual or suspicious in appearance. Our Investigator also said he didn't expect the payments to have triggered Monzo's fraud systems.

Mr P has not accepted our Investigator's view. He maintains that Monzo failed to protect him from fraud and missed an opportunity to recover his funds from the money remittance service he sent the payments to.

As an agreement could not be reached, the 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.

Having done so, I've reached the same outcome as our Investigator and for similar reasons. I know this will be disappointing to Mr P, but I'll explain my reasons.

Firstly I want to reassure Mr P that I have taken his detailed submissions into consideration. If there is something I haven't mentioned it isn't because I have ignored it, I haven't. Rather, I have focussed on setting out what is key to the decision I have reached.

In broad terms, the starting position in law is that Monzo is expected to process payments and withdrawals that a customer authorises it to make. There is no dispute here that Mr P authorised the payments. And in accordance with the Payment Services Regulations and the terms and conditions of the account, Mr P is responsible for the funds he says have been lost.

Taking into consideration the relevant regulatory rules and guidance, codes of practice and good industry practice, Monzo should take steps to identify and where possible prevent sufficiently unusual or uncharacteristic payments to help protect its customers from financial harm resulting from fraud.

Even so, I think it is important to also highlight that there are many payments made by customers each day, and it is not reasonable to expect Monzo to stop and check every payment instruction to try to prevent fraud or financial harm. There's a balance to be struck between the extent it intervenes in payments to protect customers and not causing unnecessary disruption to legitimate payment instructions.

Having reviewed Mr P's account activity, I don't find any of the payments were sufficiently uncharacteristic or unusual for them to have caused Monzo concern. I say this because I noted there were payments made of similar value in the months prior to the scam. Although Mr P made several payments on the same day, the payments were not made in quick succession which commonly occurs where a scam is involved. Here there were several hours between the payments.

When considered in the context of the vast number of payment instructions Monzo receives, I don't find any of the payments were of significant value to have raised suspicions. Given the circumstances, I do not find there was enough here to raise concern that Mr P might be at an increased risk of financial harm and to have triggered Monzo's fraud prevention systems and to warrant its intervention.

I've also considered whether Monzo did enough to try to recover Mr P's funds when he informed it of the scam. As Mr P used his debit card to make the payments, the only means of recovery would be through a Chargeback claim. Chargeback is a voluntary scheme that banks sign up to, there is no statutory right for a claim to be raised. Its purpose is to resolve disputes between the cardholder and merchants; in this case that's the money remittance service the payments were made to.

There are specific rules set by the scheme providers under which a claim can be made. As the payments were made to a legitimate merchant and to an account in Mr P's name, a claim was unlikely to succeed. This is because, Mr P received the service he paid the merchant for. Mr P's dispute is with the scammer he sent the funds on to and not the money remittance service. So, I don't think it is unreasonable that Monzo did not raise chargeback claims in the circumstances.

Mr P also sent faster payments, the only recourse to recovery of these funds would be to request the money returned from the recipient account. However as the payments were made to an account in Mr P's name he will know they did not remain there but were sent on to the scammer. As such I'm not persuaded there were any prospects of recovering the money Mr P lost.

I have thought carefully about everything that's happened, I understand that Mr P has been the victim of a very cruel scam and has lost a significant sum of money, and I sympathise with him. However, I can't fairly or reasonably hold Monzo responsible for the loss he incurred.

My final decision

For the reasons outlined above, my final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 23 October 2025.

Oluwatobi Balogun
Ombudsman