

The complaint

Mr K complains that Monzo Bank Ltd ('Monzo') won't refund the money he lost after falling victim to a scam.

What happened

In 2024, Mr K found someone on a social media site who offered to teach him about the economy and financial markets. I'll refer to this person as S.

In July 2024, Mr K paid S £250 from his Monzo account.

Mr K says S didn't provide the service he paid for and raised a scam claim with Monzo. Monzo declined to refund Mr K, saying he hadn't provided satisfactory evidence that he was the victim of a scam.

Mr K wasn't happy with Monzo's response, so he brought a complaint to our service. As part of his submission, Mr K highlighted that his ability to make financial decisions is impaired by his health conditions and the medication he is on.

An investigator looked into Mr K's complaint, but didn't recommend that Monzo refund him. The investigator explained they didn't have enough evidence to say Mr K didn't get the service he paid for or that he was the victim of a scam.

Mr K asked for an ombudsman to review his case, saying we haven't fairly considered his vulnerability and its impact on his decision making.

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.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to be good industry practice at the time.

Where there is a dispute about what happened, and the evidence is incomplete or contradictory, I've reached my decision on the balance of probabilities. In other words, on what I consider is most likely to have happened in light of the available evidence.

I'm really sorry to disappoint Mr K, but I've reached the same answer as the investigator, and I'll explain why.

Why Mr K isn't entitled to a refund under the CRM Code

Monzo aren't a signatory of the CRM Code, but they've agreed to adhere to its provisions. The CRM Code requires firms to reimburse customers who have been the victims of Authorised Push Payment (APP) scams, in all but a limited number of circumstances.

But the CRM Code does not apply to private civil disputes, such as where a customer has paid a legitimate supplier for goods, services or digital content but has not received them, they are defective in some way, or the customer is otherwise dissatisfied with the supplier.

Based on the evidence Mr K has provided, I can't fairly say he was the victim of an APP scam. There is no evidence of what was to be provided for the £250, what agreement he had with S, and whether he received some of the education or training he expected.

I can see that Mr K was in contact with S for a number of months after he made the payment, and that S was trying to arrange dates and times to call Mr K. So, I think it's possible that Mr K did receive some of the service he paid for, although I appreciate it may not have been the entire course that he was expecting. It's also possible that S was still offering to provide the education, but that Mr K changed his mind and wanted a refund. S not giving Mr K a refund because he's changed his mind, doesn't mean that he was the victim of a scam.

Mr K has explained that he has limited evidence as he changed his phone and lost his chat history with S. Also, due to his doctor's recommendation, he cancelled his account with the social media site. But the evidence he has given is very limited and doesn't prove that S wasn't a legitimate supplier.

Having carefully considered everything that Mr K has given us, I'm satisfied that it's more likely than not he has a civil dispute with S and his payment isn't covered by the CRM Code. The CRM Code does provide for a full refund where a consumer meets the bar to be considered vulnerable. But this only applies if Mr K's case is covered by the CRM Code, and I'm not satisfied it is.

Is there any other reason I could ask Monzo to refund Mr K?

I can see that Monzo were aware of Mr K's vulnerabilities at the time he made the payment, but I'm not satisfied that I can fairly say they should've intervened or prevented Mr K from making it.

Monzo can't be reasonably expected to intervene on every payment, and has to balance not delaying legitimate payments, while identifying and intervening on potentially concerning payments.

Here, the payment was for a relatively low value and wasn't out of character compared to other payments Mr K had previously made. Also, there wasn't anything else about the payment that should've concerned Monzo that Mr K might be at risk of financial harm. So, I'm not satisfied that Monzo should've prevented Mr K's loss.

I can see that Monzo has previously referred Mr K to their specialist care team and suggested free charities that can provide additional support - which is what I would expect based on what Mr K has told Monzo about his personal circumstances. Based on the contact Mr K had with Monzo, I can't fairly say that Monzo have acted unreasonably in their dealings with Mr K, or that they should've offered to refund Mr K.

I'm sorry to hear about the impact losing this money has had on Mr K, and I understand that it has seriously impacted his existing health conditions. But, having carefully considered everything Mr K has told us, I can't fairly ask Monzo to refund him.

My final decision

My final decision is that I don't uphold this complaint against Monzo Bank Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 25 June 2025.

Lisa Lowe
Ombudsman