

The complaint

Mr I complains that Monzo Bank Ltd didn't do enough to prevent him losing money to a job scam. He is also unhappy with the service provided.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide an overview of some of the key events here. In 2024, Mr I was the victim of a 'job scam'. He believed he had a genuine opportunity for remote work, which involved providing reviews and promoting products.

He was told he had to complete certain tasks and on occasions he had to make payments to top up his balance before withdrawals could be made. Mr I sent a significant amount of money from several accounts he held. But those relevant to this complaint are the debit card payments made on his Monzo account which I've set out below. C is a cryptocurrency exchange and R is a money remitter.

Date	Merchant	Amount
11 July 2024	C	£0.10
11 July 2024	C	£48.54
11 July 2024	C	£8.08
13 July 2024	C	£153.02
13 July 2024	C	£8.03
13 July 2024	C	£488.50
13 July 2024	C	£1,076.55
13 July 2024	C	£2,488.22
13 July 2024	C	£3,243.83
13 July 2024	C	£8.03
13 July 2024	R	£1,590.04
16 July 2024	C	£3,472.82

Mr I says he realised he'd been scammed when he was asked to make a payment to reset his password for his account with his 'employer'.

Ultimately Mr I complained to Monzo. Monzo didn't offer to refund any of Mr I's loss, but they did accept that their customer service wasn't to the standard they'd expect, and they offered £80 compensation in that regard. The matter was referred to our service and one of our Investigators didn't recommend that the complaint should be upheld. In summary he supported Monzo's position. Mr I disagrees and has asked for an Ombudsman to review his complaint.

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 largely the same reasons. I accept that Mr I has been the victim of a cruel scam, but that doesn't mean he is automatically entitled to redress from Monzo. So despite my natural sympathy for him as a victim of crime, I can only fairly direct Monzo to do more if I think they failed in such a way that they caused his loss (or a part of it). I don't think they did, and I'll explain why.

It isn't in dispute that Mr I instructed the transactions in question himself, albeit that he was tricked into doing so. So the starting position is that he will usually be responsible for payments he's made himself, but that isn't the end of the story. Monzo should also be alert to the possibility of fraud, scams and the misappropriation of funds and do what they can to protect their customers from the same.

I think that by no later than the time Mr I made his payment of £3,243.83 on 13 July 2024, Monzo ought to have done more than they did. At this point Mr I had instructed payments totalling around £6,800 in a single day. The merchant these payments were going to would've been identifiable to Monzo as a cryptocurrency exchange. And whilst payments to purchase cryptocurrency will often be legitimate, they are also involved in a great number of fraud and scams. Due to the risk that payment presented, I would've expected Monzo to have blocked it and to have asked Mr I questions about it, to enable them to have provided an appropriate warning. That being said, in the circumstances of this complaint, I'm not persuaded Monzo's failure to do so has resulted in Mr I being in a meaningfully different position. I don't think his loss would've been prevented even if Monzo had done all they should have. And even if it were argued that Monzo ought to have intervened in any of the payments prior to the one I've highlighted above, for the same reasons, I don't think this would make a difference to the overall outcome of this complaint.

I say this because I'm also considering a linked complaint of Mr I's about another business 'R'. Subsequent to the payments made via Monzo, Mr I made further payments through his account with R as a part of the same scam. R did intervene, ask questions and provide warnings and this wasn't effective in preventing further payments or discovering the scam.

Throughout the course of the questions R asked around that time, Mr I told them that he was investing in cryptocurrency and that he wasn't being guided or pressured into making a payment. Our Investigator asked Mr I why he'd answered questions from R in the way he did rather than explaining that it was part of a 'job opportunity' where he had to make payments, particularly as our Investigator said payments towards a job opportunity was one of the options R gave when asking the purpose of the payment.

Mr I told our Investigator *"I was in an extremely distressed state and under direct pressure from the scammers, who manipulated me in real time via chat into answering [R's] prompts in ways that would allow the payments to proceed. I was even explicitly told what to say... Despite your claim that "related to a job opportunity" was an option in [R's] system, I firmly recall that it was not visible at the time of my selections. More importantly, even if it had been, I was not in a sound mental state to make rational decision, especially as the scammers were actively guiding me."*

Some of the warnings R gave highlighted the importance of answering their questions truthfully and that if Mr I was being told what to say, it could be a scam. Yet Mr I's own testimony is that the scammers were guiding him in real time through the answers via the chat facility on their website.

So with the above factors in mind, I don't think any reasonable level of intervention that fairly could've been expected of Monzo would've been impactful in preventing the scam. I think it's

more likely than not that Mr I would've similarly followed the guidance of the scammers to answer any questions in such a way that the payments would've continued. It follows that I don't think Monzo are responsible for Mr I's loss on that basis.

Mr I says that he thinks, because the Monzo payments came earlier, he would've acted differently (in the face of appropriate questions and warnings) compared to the payments from R as that was later and he was 'deeper' into the scam at that point. I understand the argument that Mr I is making. And I acknowledge that I can't know with 100% certainty how this would've played out. But I'm more persuaded by the evidence of what did happen when R provided their warnings, than by what Mr I says would've happened had Monzo intervened. Mr I will understandably see things in his own favour, but I think the objective evidence from R is stronger than Mr I's assertion as to what he thinks would've happened.

Mr I says he was vulnerable as he was a recently graduated international student. I'm not sure that this is a basis upon which I'd consider Mr I to be vulnerable. But in any case, I can't see that Mr I had informed Monzo of this, prior to when he reported the scam, or that this is something they should have ascertained themselves in the circumstances here. And even if Monzo had identified Mr I as vulnerable at the material time, I'm not persuaded this would've meant he wouldn't have similarly misled them as to his reasons for the payments or that this would've resulted in discovery of the scam.

I've next thought about whether Monzo could've done more to help Mr I once informed of the scam. But here, as the payments all went to cryptocurrency or a money remitter, I don't think there was any reasonable prospect of a successful recovery being made. The only potential option would've been the chargeback scheme. But it's likely the merchants involved would've been able to evidence that they'd either provided cryptocurrency or had remitted money as requested. So I don't think anything Monzo did or didn't do in that regard, would've made a difference to the position Mr I now finds himself in.

For completeness I've also considered the Lending Standards Board's Contingent Reimbursement Model (CRM Code). This was a voluntary scheme through which victims of scams could sometimes receive redress from the banks involved. And whilst Monzo weren't a signatory to it, they had agreed to follow its principles. However, the CRM code doesn't apply to debit card payments (as all of Mr I's payments were), so it can't be used as a reason to expect more from Monzo.

Again, I'm of course sorry to hear that Mr I lost money as he did, but because I don't think this is something Monzo are responsible for, there isn't a reasonable basis upon which I can require them to do more to resolve this complaint.

My final decision

For the reasons outlined above, my final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 4 September 2025.

Richard Annandale
Ombudsman