

The complaint

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

Mrs P has brought her complaint with the assistance of a professional representative. For ease of reading, I will refer to Mrs P throughout this decision.

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 October 2023, Mrs P received a message from somebody claiming to be a recruiter, about a job opportunity. She was told the job involved promoting movies online to increase their rating, for which she would earn commission. Believing everything to be genuine, Mrs P proceeded, but unknown to her at the time, she had been contacted by fraudsters. The fraudsters then persuaded Mrs P to pay her own money in order to proceed with the work.

Mrs P 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, Mrs P used her Monzo account, which had only recently been opened in September 2023, to make the following payments, totalling £5,000.

Date	Time	To	Amount
26 October 2023	19:04	Payee 1	£1,500
26 October 2023	19:22	Payee 2	£1,500
27 October 2023	09:18	Payee 3 (payment stopped)	£2,000*
27 October 2023	09:23	Payee 3	£1,000
27 October 2023	09:24	Payee 3	£1,000
Total Loss			£5,000

**Payment stopped by Monzo for verification check, which was completed by Mrs P (Mrs P subsequently sent these funds by way of the two payments for £1,000).*

As part of the same scam, Mrs P also sent money from an account she opened with another payment service provider. She realised she'd been scammed when she was unable to withdraw any of the money she had sent.

Mrs P raised the matter with Monzo, but it didn't uphold her complaint. In summary, it said it didn't receive sufficient evidence from Mrs P to enable it to reach a conclusion.

Unhappy with Monzo's response, Mrs P brought her complaint to this service. One of our Investigators looked into things, but didn't think the complaint should be upheld. In summary,

he didn't think Monzo missed an opportunity to identify that the payments were being made in relation to a scam.

Mrs P didn't agree with our Investigators view. 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.

In broad terms, the starting position at law is that a bank is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the terms and conditions of the customer's account.

However, there are times when I might expect a bank to question a transaction or payment, even though it may have been properly authorised. Broadly speaking, firms (like Monzo) should fairly and reasonably have been on the lookout for the possibility of fraud in order to protect its customers from the possible risk of financial harm as a result of fraud and scams.

With this in mind, I've considered whether the payments Mrs P made were ones Monzo should have had particular concern about. In doing so, I'm mindful that banks, such as Monzo, process a high volume of transfers and transactions each day. And a balance has to be struck as to when it should possibly intervene on a payment against not holding up or delaying its customer's requests.

I'm also mindful here that Mrs P's Monzo account had been opened just a few weeks before the disputed transactions. What this means is that Monzo would have had limited historical account activity, upon which to compare the transactions that were being made as part of this scam.

I don't doubt the payments represented a lot of money to Mrs P. But when compared with other payments that Monzo processes daily, I'm not persuaded they were of values which I think would have appeared so suspicious or unusual to Monzo. I'm mindful that the payments are to a number of new payees, which sometimes can be a cause for concern – but I'm not persuaded that this in and of itself would have been enough for Monzo to have done more than it did.

In her submissions to this service, Mrs P said the payments had been made to beneficiaries that were well known cryptocurrency exchanges. I agree, that if this were the case, it may have been an identifier that there was a heightened risk. However, the payments here, while ultimately for the purchase of cryptocurrency, weren't being made directly to cryptocurrency exchanges, rather they were made to individuals. Monzo would not have been aware that they were cryptocurrency related, as all it would have known is that funds were being transferred between two parties (and so it wouldn't have been able to pick up on the additional risk that comes with cryptocurrency related payments).

Overall, I don't consider there was anything so unusual or remarkable about the payments or the amounts that ought to have alerted Monzo to the possibility Mrs P was being scammed or was at risk of financial harm.

In the circumstances of this case, I can see that Monzo did stop a payment, for £2,000 and contacted Mrs P in order for some further verification checks to be carried out. I'm satisfied that was a proportionate response and I wouldn't have expected it to have done any more.

For the purposes of this decision, I think it may be helpful to note that, even if Monzo's intervention had gone further than it did, I don't think it would have made a difference. I say that as Mrs P has said the fraudsters told her that, if asked, she should select 'family and friends' as the purpose of the payments she was making.

With this in mind, if Monzo had contacted Mrs P, say through its online functions, and asked her to provide it with the reason for making the payments, I think, on the balance of probabilities, it's more likely than not Mrs P would have then selected 'family and friends'. It follows, that I wouldn't reasonably have then expected Monzo to have identified that Mrs P was potentially at risk of a job-related scam and to have provided warnings to that effect. I think it more likely the payment purpose provided would have prompted Monzo to have provided automated warnings about scams most related to 'family and friends', and I don't think such warnings would have resonated with Mrs P.

All things considered, I don't think Monzo made an error in allowing the payments to be progressed or missed an opportunity to prevent the fraud.

I'm mindful that Mrs P has said she was vulnerable at the time she made these payments. But the evidence I've seen doesn't suggest that Monzo had been notified of any vulnerabilities or needs, such that it should have known to take additional steps to protect Mrs P.

I've thought about whether Monzo could have recovered any of the funds Mrs P lost when it was made aware of the scam. But given the funds had been exchanged into cryptocurrency and then been moved onto accounts controlled by the fraudsters, I don't think Monzo would have been able to recover any funds.

I have a great deal of sympathy with Mrs P being the victim of what was clearly a cruel scam, and I understand this must have been a very difficult time for her. But I don't find that Monzo has acted unfairly in processing the payments Mrs P made and therefore isn't responsible for reimbursing her.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs P to accept or reject my decision before 26 August 2025.

Stephen Wise
Ombudsman