

The complaint

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

What happened

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

In summary, Mrs A was contacted via a well-known messaging application offering a job with a business I will call "X". Mrs A was required to complete various tasks in exchange for a commission payment.

When Mrs A's account with X fell to a negative figure Mrs A was advised that she would have to make a payment to the account. Mrs A was advised she would receive this payment back plus commission when the tasks had been completed.

X continued to request further funds from Mrs A which prompted her to speak with her partner and carry out further research. Mrs A says her research confirmed she had fallen victim to a scam.

Mrs A has disputed a single payment made from her Monzo account in relation to the scam for the value of £1,500 to a well-known cryptocurrency exchange that was made in exchange for cryptocurrency that was then sent to the scammer.

Our Investigator considered Mrs A's complaint and didn't think it should be upheld. Mrs A 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 Mrs A has fallen victim to a cruel scam. The evidence provided by both Mrs A and Monzo sets out what happened. What is in dispute is whether Monzo should refund the money Mrs A lost due to the scam.

Recovering the payment Mrs A made

Mrs A made the payment from her Monzo account by transfer. When payments are made by transfer Monzo has limited options available to it to seek recovery.

The payment Mrs A made wasn't made to the scammer directly, instead it was made to a legitimate cryptocurrency exchange in exchange for cryptocurrency. As it took further steps for those funds to end up in the hands of the scammer any attempt to recover the payment would have no prospects of success.

Should Monzo have reasonably prevented the payment Mrs A made?

It has been accepted that Mrs A authorised the payment that was made from her account with Monzo, albeit on X's instruction. So, the starting point here is that Mrs A 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 Mrs A made the payment. And if it had intervened, would it have been able to prevent the scam taking place.

Mrs A made a single payment from her Monzo account for the value of £1,500 to a cryptocurrency exchange. While I appreciate the value of this payment may be significant to Mrs A, I would not consider it to be so significant that it should have caused Monzo to have concerns.

Overall, it is not unusual for customers to make one off payments of this value, and it would not be reasonable for me to suggest that Monzo should step in every time one of its customers makes a payment similar in nature to the one Mrs A has disputed.

So, I don't think it was unreasonable that the disputed payment didn't cause Monzo to have concerns that Mrs A may have been at risk of financial harm, or that it didn't intervene when it was made by Mrs A.

With the above in mind I don't think Monzo missed an opportunity to prevent the scam, and it is not responsible for Mrs A's loss.

My final decision

I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 17 October 2025.

Terry Woodham
Ombudsman