

The complaint

Miss R complains that Monzo Bank Ltd won't refund the money she lost when she fell victim to a job scam.

What happened

The detailed background to this complaint is well known to both parties. So, I'll only provide a brief overview of some of the key events here.

Miss R had previously been seeking work. On 7 March 2025, she was contacted (by a scammer) on a messaging app about a commission based job with Company S (a fake company).

The purpose of the job was to complete product reviews to boost search engine optimisation. Miss R was offered the job, an account was created for her with Company S and she was added to a group chat with other employees.

Miss R was informed that she would need to deposit her own funds to gain access to high earning tasks and that all her funds would be refunded to her once the tasks were completed.

The scammer influenced Miss R to open an account in her name with Company C (a crypto exchange) and to then transfer funds to Company C and then to Company S.

Miss R received some review training and after successfully completing the tasks she received some payments.

The following transactions were processed through her Monzo bank account:

Transaction Number	Date	Time	Payment type	Amount
1	14 March 2025	13.03	Faster payment to Company C	- £20
2	16 March 2025	13.04	Faster payment to Company C	- £49
3	16 March 2025	22.20	Credit from Company C	+ £207.21
4	16 March 2025	22.55	Faster payment to Company C	- £86
5	18 March 2025	10.46	Faster payment to Company C	- £272
6	18 March 2025	10.51	Faster payment to Company C	- £1.40
7	18 March 2025	21.12	Faster payment to Company C	- £1,205
8	18 March 2025	21.20	Faster payment to Company C	- £20
9	18 March 2025	21.21	Credit from Company C	+ £20
10	18 March 2025	21.35	Faster payment to Company C	- £20
11	18 March 2025	21.36	Credit from Company C	+ £20

12	18 March 2025	21.59	Faster payment to Company C	- £20
13	18 March 2025	22.00	Credit from Company C	+ £20
14	19 March 2025	07.28	Faster payment to Company C	- £20
15	19 March 2025	07.30	Credit from Company C	+ £20
16	19 March 2025	10.51	Faster payment to Company C	- £20
17	22 March 2025	11.43	Faster payment to Company C	- £4,600
			Total	£6,046.19

Miss R became suspicious on 22 March 2025 and realised she had been scammed when the scammer became evasive on a further payment.

Miss R felt that she wouldn't have lost her money if Monzo had taken action, such as blocking her payments until further checks were made or requiring her to contact a fraud prevention specialist, before releasing her funds.

Monzo declined her refund request. They said:

- The money '*was taken from an account at another financial institution*'.
- They had '*robust security systems in place to protect your account at all times. Our fraud detection systems operate based on predefined rules, assessing specific information to determine whether a transaction appears suspicious. If a payment wasn't flagged, it means there wasn't enough indication for it to be considered fraudulent; however, this doesn't mean we made an error on our part*'.

Miss R brought her complaint to our service.

Our investigator issued a view saying that Monzo should've intervened on payment number 17 for £4,600 and that an impactful warning, that gave details about job scams and how she could protect herself from the risk of fraud, would've resonated with Miss R. She said Monzo should pay Miss R 50% of £4,600.

Miss R accepted this view but as Monzo disagreed this complaint has been referred to me to consider.

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, my decision is to uphold this complaint. And I'll explain why.

I should first say that:

- I'm very sorry to hear that Miss R has been the victim of this cruel job scam and lost a significant amount of money here.
- In making my findings, I must consider the evidence that is available to me and use it to decide what I consider is more likely than not to have happened, on the balance of probabilities.
- Although a voluntary code exists to provide additional protection against some scams (the Contingent Reimbursement Model Code – CRM Code) and Monzo adhere to the principles of the code as they aren't a direct signatory, the payments were made

to an account in Miss R's own name, before they were sent to the scammer. So, they're not covered under the CRM Code.

- I considered whether, when Miss R informed Monzo that she had been scammed, they could've done more to help recover her funds. As Miss R made payments to an account held in her own name then on to the scammer via Company C, I don't think Monzo could've been expected to recover the funds which had already been removed from Miss R's account with Company C.

Payment Services Regulations 2017 (PSR)

Under the PSR and in accordance with general banking terms and conditions, banks should execute an authorised payment instruction without undue delay. The starting position is that liability for an authorised payment rests with the payer, even where they are duped into making that payment. There's no dispute that Miss R made the payments here, so they are considered authorised.

However, in accordance with the law, regulations and good industry practice, a Bank should be on the look-out for and protect its customers against the risk of fraud and scams so far as is reasonably possible. If it fails to act on information which ought reasonably to alert a prudent banker to potential fraud or financial crime, it might be liable for losses incurred by its customer as a result.

Firms do have to strike a balance between the extent to which they intervene in payments to try and prevent fraud and/or financial harm, against the risk of unnecessarily inconveniencing or delaying legitimate transactions.

So, I consider Monzo should fairly and reasonably:

- Have been monitoring accounts and any payments made or received to counter various risks such as anti-money laundering and preventing fraud and scams.
- Have systems in place to look out for unusual transactions or other signs that might indicate that its customers were at risk of fraud (among other things). This is particularly so given the increase in sophisticated fraud and scams in recent years, which banks are generally more familiar with than the average customer.
- In some circumstances, irrespective of the payment channel used, have taken additional steps, or make additional checks, before processing a payment, or in some cases declined to make a payment altogether, to help protect customers from the possibility of financial harm from fraud.

Also, the FCA's Consumer Duty was in force at the time these payments were made. This requires firms to act to deliver good outcomes for consumers including acting to avoid foreseeable harm. In practice this includes maintaining adequate systems to detect and prevent scams.

With all the above in mind, I considered whether:

Monzo should've recognised that Miss R was at risk of financial harm from fraud and intervened?

Although Miss R hadn't previously made any payments to a cryptocurrency company, I don't think Monzo should've been surprised to see her make payments to Company C or expected to put in place an intervention with a fraud agent. This is because they had automated warnings in place (which cover cryptocurrency and some job scam indicators) and, when Miss R opened her account with them, she indicated that she may undertake such cryptocurrency transactions.

The above table shows that, with the exception of transaction number 6, six of the first seven faster payments (transactions 1,2,4,5,6 and 7) increased in size. However, transaction 6 (for

£1.40) broke this pattern and the payments were all relatively low and consistent with Miss R's normal spending pattern. So, although transaction 3 was a credit for a higher amount than transaction 1 and 2 which can be an indicator of scams including job scams to gain trust, I wouldn't have expected Monzo to have had any concerns that their automated warnings weren't resonating until after transaction 7.

However, after transaction 7, Monzo would've seen there were a further six transactions on 18 March 2025 making it ten in total for that particular day. Although some of these were credit and debits for £20, I think this should've been seen as unusual. Considering this, together with the velocity of transactions in three days (16,18,19 March 2025) and the earlier pattern mentioned above (transactions 1 to 7), when they saw transaction 17 (for £4,600), which was very high spend for Miss R, I think they should've:

- Been suspicious about these patterns.
- Seen them as a possible indicator of a scam, such as a job scam.
- Been concerned that Miss R was at risk of financial harm.
- Even though they had automated warnings, put in place a human intervention to probe what was occurring here and give tailored information and warnings.

What action did Monzo take?

It isn't for our service to tell a business what action to take to protect their customers from financial harm and, even though they don't specifically use the word 'job' or refer to job scams, I recognise that:

- Monzo had an automated warning system in place for customers making payments in cryptocurrency and some of these applied to the scam that Miss R had fallen for.
- Miss R would've seen these.

However, considering the above-mentioned patterns, I think Monzo should've recognised a heightened risk of a scam and done more here.

Monzo say they:

- Do *'have specific warnings that cover Advance fee/Job Scams'*.
- That they *'are often used'*.
- And this is when they *'flag and intervene in high risk payments'*.

For the reasons mentioned above, I think Monzo should've been suspicious at the point of transaction 17 and, rather than rely on their automated warnings, seen this as a high risk payment, flagged it as such and required an agent to probe and give specific information and warnings including about job scams.

I can't see that Monzo did any analysis, considered questioning this payment or have provided sufficient evidence to persuade me they intervened or that the payment wasn't unusual, and it wasn't proportionate for them to intervene.

If a bank doesn't question payments that might be at risk then it can't fulfil its duty to protect customers. I'm not saying that means it must check every payment out of its customers' accounts. But here, considering the above mentioned patterns which could indicate a scam was taking place, I believe it ought to have contacted Miss R to check she wasn't at risk of falling victim to fraud.

If a Monzo agent experienced in fraud and scam had intervened would they have prevented the losses Miss R suffered?

I've reviewed Miss R's communications with the scammer and there isn't any evidence that Miss R was being coached to ensure payments were received. So, had Monzo intervened

upon transaction 17 for £4,600, given Miss R information and warnings on job scams and asked her probing questions about the payments he was making, I can't see any reason why she wouldn't have been honest and explained the job.

I think upon listening to the information and warnings and explaining the job and how she didn't have an interview and had to make payments for tasks in cryptocurrency she would've quickly realised it was a scam. Also, I noted that when the scammer asked Miss R to make another payment, after transaction 17, she did realise things didn't add up, challenged them and realised that it was scam.

So, I think it's fair and reasonable to conclude Miss R would've taken on board significant new information and warnings about scams of a similar nature had Monzo put in place an intervention call with a fraud and scam agent to probe what was happening..

Furthermore, I think this would've also been a red flag to Monzo and they would've more likely than not stopped any further payments to protect Miss R.

I therefore think it's reasonable to assume that, had Miss R been given a clear warning that it was likely she was being scammed, she would've most likely stopped making payments to the scammer and the intervention would've broken the scammer's spell.

I've also thought about whether Miss R did enough to protect herself from the scam, and I don't think she did.

Although I appreciate Miss R found the scammer very convincing, I think she ought reasonably to have had concerns about the legitimacy of the job offered given the high salary for low hours, basic tasks and fake reviews. Also, a requirement to send funds to acquire the profits she'd supposedly earned. Particularly as she was paying more money to the scammer than she was earning. I also think receiving an unsolicited job offer via a messaging service app and not having an interview or receiving any contract were very unusual, warranting Miss R to exercise greater caution and do more research. In addition, although I recognise the automated warning didn't specifically mention the word 'job' or refer to job scams and should've done more, I think some of Monzo's automated warnings should've resonated with her.

Putting things right

Regarding Miss R's claim for a refund, although I think Monzo should've intervened on transaction 17 for £4,600, I don't think it would be fair and reasonable for Monzo to provide Miss R with a full refund of this payment. This is because of the above-mentioned contributory negligence by Miss R.

I think a fair and reasonable refund amount should be 50% of £4,600 – so Miss R should receive £2,300, plus interest at 8% per annum.

My final decision

For the reasons mentioned above my final decision is to uphold this complaint against Monzo Bank Ltd and I require them to:

- Provide Miss R with a refund of £2,300.
- Plus, pay simple interest at 8% per annum from the date of the payments to the date of settlement.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss R to accept or reject my decision before 29 August 2025.

Paul Douglas
Ombudsman

