

The complaint

Mrs N complains that Monzo Bank Ltd did not reimburse the funds she says she lost to a scam.

What happened

Mrs N says she was contacted out of the blue on a messaging app about a job opportunity. This job was fully online and required her to carry out a set amount of tasks before she could claim commission. She says she was advised to open a cryptocurrency wallet to facilitate the payments. When she had carried out the required number of tasks, some of which cost additional funds to carry out which she had to pay herself in cryptocurrency, she was asked to pay even more fees to withdraw her commission. She says she realised it was a scam at that point and raised a scam claim with Monzo. The payments she has complained about occurred between 13 December 2024 and 2 January 2025.

Monzo explained that as the funds went into another account in Mrs N's name which she had control over, she should complain directly to the account provider instead. And they did not agree to reimburse Mrs N in the circumstances.

The complaint was referred to our service and our Investigator looked into it. They initially did not think they had seen enough evidence to be satisfied a scam had occurred, as while Mrs N had provided some screenshots of the chats she had with the alleged scammers none of these were dated. And they felt that even if Mrs N were able to evidence a scam had occurred, there was not enough to show whether an intervention from Monzo could have revealed the scam and prevented further payments from being made.

Mrs N was able to provide some further evidence of the platform she used as part of the scam. While the Investigator accepted there was enough to be satisfied a scam had occurred, they were still unable to quantify the loss, as there was no evidence tying the individual payments to the scam and they could see Mrs N continued to make payments to cryptocurrency for another month following the scam.

Because Mrs N did not agree with the findings, 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 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.

Broadly speaking, the starting position in law is that an account provider is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the terms and conditions of the account. And a customer will then be responsible for the transactions that they have authorised.

It's not in dispute here that Mrs N authorised the payments in question as she says she believed they were part of a legitimate job opportunity. So, while I recognise that she didn't intend for the money to go to scammers, the starting position in law is that Monzo was obliged to follow Mrs N's instruction and process the payments. Because of this, she is not automatically entitled to a refund.

The regulatory landscape, along with good industry practice, also sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victims to scams.

Looking at the payments Mrs N made, the majority of them do not look particularly out of character when compared to her genuine account activity. However, there was a payment of £5,600 on 20 December 2024, and a payment of £13,250 on 30 December 2024 that I do think were unusual and warranted an intervention from Monzo.

Monzo has said they did not intervene in these payments as by that point, the payee had become established and was therefore a trusted payee. However, even considering the payment history I do think a conversation was warranted at least on the payment of £13,250 considering its value. I therefore have to consider whether a conversation with Monzo could meaningfully have revealed the scam at that point.

Unfortunately, Mrs N no longer has the full chat transcript between herself and the individuals involved in the scam. I have seen some screenshots, but these do not show the whole conversation and are largely undated, so I am unable to see what Mrs N's understanding of the scam was, whether she was given a cover story by the scammers and how under the spell of the scammers she was. Where I don't have clear evidence of what happened, I have to consider all of the evidence available to come to what I think is more likely in the circumstances.

In Mrs N's initial letter of complaint, she says she was sent an unsolicited message from a recruiter called Paul from the fake company. However, Mrs N has also provided a message from Paul introducing himself to Mrs N, and this is dated 26 December, which is almost two weeks after when she says she began making payments to the scam. This therefore does not tie in with what Mrs N told us in the initial letter of complaint and it makes it more difficult for us to rely on her version of events.

I can also see that Mrs N raised a complaint with Monzo about the payments on 2 January 2025 and she has flagged a number of payments as connected to the scam that occurred from 13 December 2024 to 2 January 2025. However, I can also see that Mrs N went on to make further payments to the same cryptocurrency wallet from 6 January to 5 February 2025 which she has not raised as part of this complaint. When our service asked her about these payments and what they were for, we did not receive a response to this question.

It is therefore difficult to say with certainty which of payments that Mrs N made to the cryptocurrency wallet relate to the scam. It appears Mrs N may have made some genuine payments to cryptocurrency after the scam occurred, and she also said in her letter of complaint that she had previously purchased cryptocurrency prior to the scam to learn how to trade. Without full chats with the scammer this becomes even more difficult, as it is not possible to know which payments relate to the scam and therefore what loss may have been incurred.

On balance, considering the lack of evidence showing what Mrs N understood about the scam and the payments she was making, as well as inconsistencies in her version of events and the difficulties we have in knowing which payments are genuine and which ones relate to the scam, I do not think I can safely conclude that an intervention from Monzo at either the £5,600 payment or the £13,250 payment could have meaningfully revealed the scam. I therefore think it is reasonable that they did not reimburse Mrs N in the circumstances.

My final decision

I do not uphold Mrs N's complaint against Monzo Bank Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs N to accept or reject my decision before 24 December 2025.

Rebecca Norris
Ombudsman