

The complaint

Miss N complains Monzo Bank Ltd (“Monzo”) hasn’t refunded her the amount she lost to a job scam.

What happened

I issued a provisional decision in July 2025 to explain why I thought Miss N’s complaint shouldn’t be upheld. And I said I’d consider anything else anyone wanted to give me before proceeding with my final decision.

This is an extract from my provisional decision:

“The circumstances that led to this complaint are well known to both parties, so I won’t repeat them in detail again here. However, in summary, Miss N fell victim to a job scam.

Miss N found what she thought was a genuine job opportunity on a social networking website. She then began to receive messages from someone I’ll refer to as “H” who said they worked for a company called “M”. Miss N didn’t know at the time, but H was a scammer and M was a fake company.

H provided some details about the role that was available to Miss N and said she could complete it part-time alongside her other commitments. H told Miss N that M was a culinary review company where Miss N would be entering reviews for what appeared to be takeaway restaurants in order to increase sales and receive commission.

Miss N was told she’d be paid commission and a salary into her cryptocurrency account (which H told Miss N to open as part of her job). After completing some of the initial “tasks” that she was given, Miss N was told that she needed to clear a negative balance on her account before she could proceed and receive her commission/salary. However, every time Miss N cleared her negative balance, the same thing would happen again.

Over the next 5 days, Miss N made the following payments from her Monzo account. All of the payments apart from the last were initially transferred to Miss N’s own cryptocurrency account before being sent on to the scammer:

Date	Payee	Method	Amount
21/05/2023	Ms N’s cryptocurrency account	Faster Payment	£2,300
21/05/2023	Ms N’s cryptocurrency account	Faster Payment	£2,050
22/05/2023	Ms N’s cryptocurrency account	Faster Payment	£4,850

22/05/2023	Ms N's cryptocurrency account	Faster Payment	£280
26/05/2023	Ms N's cryptocurrency account	Faster Payment	£4,850
26/05/2023	New Payee 1	Faster Payment	331.50

On 22 June 2023, Miss N sent a formal complaint to Monzo via a professional representative but Monzo did not respond to Miss N's complaint.

Unhappy with the lack of action being taken, Miss N brought a complaint to this service. She said Monzo failed to intervene when there was unusual activity on her account.

One of our investigators looked into Miss N's complaint and they said it should be partially upheld and Miss N refunded 50% of her total overall losses taking into account that she had also received some returns as part of the scam.

Miss N agreed with the investigator's findings but Monzo did not so the case was passed to me for a decision.

What I've provisionally 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, I am required to take into account relevant law and regulations, regulators' rules, guidance and standards, and codes of practice; and, where appropriate, I must also take into account what I consider to have been good industry practice at the time.

In broad terms, the starting position at law is that Monzo is expected to process payments and withdrawals that a customer authorises it to make, in accordance with the Payment Services Regulations (in this case the 2017 regulations) and the terms and conditions of the customer's account. But that's not the end of the story.

Taking into account relevant law, regulators rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider it fair and reasonable that in May 2023 Monzo should:

- have been monitoring accounts and any payments made or received to counter various risks, including preventing fraud and scams;*
- have had 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 firms are generally more familiar with than the average customer;*
- in some circumstances, irrespective of the payment channel used, have taken additional steps, or made additional checks, or provided additional warnings, before processing a payment.*

Should Monzo have recognised that Miss N was at risk of financial harm from fraud?

It isn't in dispute that Miss N has fallen victim to a cruel scam, nor that she authorised the payments she made from her Monzo account. So, I have considered whether the transactions Miss N made as part of the scam should've stood out to Monzo as suspicious enough to have warranted intervention before they were allowed to leave her account.

Having done so, I'm not persuaded that the initial transactions on 21 May 2023 should have stood out to Monzo as particularly concerning. They are for relatively modest amounts and I don't think the fact that they were being made to a cryptocurrency provider was enough, in and of itself, to say that Monzo should've stepped in on this date. And so, I don't think Monzo acted unreasonably in processing these transactions at Miss N's request without taking any additional steps first.

However, by the time Miss N made the third payment amounting to £4,850 the next day, I think the activity on the account had started to look somewhat concerning. This was the third payment being made to a known cryptocurrency provider in 24 hours and the payments had now significantly increased in value. Taking these factors into account, I'm satisfied that when Miss N attempted to make this payment, Monzo should have considered that she could be at heightened risk of financial harm from fraud. In line with good industry practice at the time, Monzo should therefore have provided a warning before it allowed the payment to be processed.

What kind of warning should Monzo have provided?

In this case, Monzo knew that the third payment on 22 May 2023 was being made to a cryptocurrency provider and its systems ought to have factored that information into the warning it gave Miss N. So, having thought carefully about the risk Payment 3 presented, I think a proportionate response to that risk would have been for Monzo to have provided a written warning which was tailored to cryptocurrency investment scams.

Cryptocurrency scams were the most prevalent cryptocurrency related scam at the time and any such warning should've set out the key features of this type of scam. I'm not satisfied that Monzo needed to go further at this stage and I don't consider Monzo ought reasonably to have asked Miss N questions to narrow down the scam she might be falling victim to. So, whilst I agree that Monzo should keep up to date with fraud trends, I don't think that in May 2023 this meant doing more than providing a written cryptocurrency investment warning when it identified potentially suspicious transactions being made to a cryptocurrency platform.

If Monzo had provided a warning of the type described, would that have prevented Miss N's loss from this point onwards?

I'm not satisfied that a written cryptocurrency investment scam warning would have resonated with Miss N or led her to act differently.

At the time of making these payments, Miss N thought she was making payments as part of her employment. She believed she was topping up her account so she could complete review tasks which would ultimately earn her commission. I don't think Miss N would've considered the payments she was making as being related to a cryptocurrency investment. And so, I'm not persuaded that a written warning of the type described above would've broken the spell Miss N was under. It wouldn't have been specific to her circumstances and based on the evidence I've seen; Miss N seems to have believed that the person she was speaking with was genuine.

It follows that I don't think a proportionate warning of the type described above would've made her think otherwise and so, I'm not persuaded that any proportionate intervention by Monzo would've made a difference here or that it would have resonated so much with Miss N that she wouldn't have continued with this payment, or the payments that followed.

For the reasons explained by the investigator, I also don't think Monzo could have done more to recover Miss N's funds. They had already been converted into cryptocurrency and moved on to an account controlled by the scammer at the time the scam was reported. The funds sent to a personal account were used to buy cryptocurrency from an individual who had unwittingly become involved in the scam.

So, whilst I recognise Miss N has fallen victim to a cruel scam and I'm really very sorry to hear about what's happened to her, I can't fairly ask Monzo to reimburse any of her losses now. The fault here lies with the actions of the scammers themselves."

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'm minded to reach the same overall conclusion as I reached in my provisional decision. I'll explain why below.

Monzo didn't respond to my provisional decision with any further arguments. Miss N responded to say she didn't accept my findings. She said Monzo should have contacted her when she attempted to make Payment 3 in order to establish the reason she was making the payment. Had it done so, it would've come to light that she was falling victim to a job scam and her loss would've been prevented from this point onwards.

I've taken Miss N's additional points into consideration. However, as I said in my provisional decision, I'm not satisfied that Monzo reasonably needed to ask Miss N questions to narrow down the scam she might be falling victim to at the time. I'm satisfied that a proportionate intervention in May 2023 amounted to Monzo providing a written cryptocurrency investment scam warning where it identified a potentially suspicious transaction being made to a cryptocurrency platform. This is because this was the most prevalent scam at the time. I'm not persuaded that Monzo needed to go further than this and discuss the payment with Miss N before the payment was allowed to leave her account. And for this reason, I'm still of the opinion that this complaint should not be upheld and I won't be asking Monzo to take any further action.

My final decision

My final decision is that I do not uphold this complaint about Monzo Bank Ltd.

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

Emly Hanley Hayes
Ombudsman