

## **The complaint**

Mr Q complains that Monzo Bank Ltd won't refund money he lost when he was the victim of a scam.

## **What happened**

The background to this complaint is well known to both parties, so I won't repeat everything here. In summary, Mr Q fell victim to a task-based job scam in which he was required to complete tasks in exchange for commission.

Mr Q has advised he was looking for a remote flexible role and came across the job opportunity on a social media site. The recruiter, (who I will refer to as "the scammer") helped him open an account with a legitimate cryptocurrency provider which he used to send payments. He also gave him access to a platform. Mr Q deposited funds into the platform to progress through the levels. He explained he was able to withdraw some profits which convinced him the role was genuine.

Mr Q ran into problems when he attempted to withdraw from the platform. The scammer insisted that he needed to add additional funds. It was at this point that he realised he had been scammed. Mr Q made a debit card payment of £1,600 from his Monzo account in April 2025 as part of the scam. He also sent funds from another account with a different provider.

Mr Q raised a complaint with Monzo. It didn't think it had done anything wrong by allowing the payment to go through. So, Mr Q brought his complaint to our service.

Our Investigator looked into the complaint but didn't uphold it. Our Investigator didn't think the payment Mr Q made was unusual and so she didn't feel Monzo should have identified a scam risk. Mr Q didn't agree. He said, in summary, the transaction was unusual and being made to a cryptocurrency provider so it should have been identified as high risk. He explained that if Monzo had intervened on the payment it may have prevented the loss. Mr Q also referred to a case study on our website to highlight why his case should be upheld and that another banking provider had given him a refund for the scam payments he made from the account he had with it.

Mr Q's complaint has now been passed to me for review and a 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.

Mr Q has referred to a case study on our website involving scams. I can understand why he would think it has similarities to his complaint but we look at complaints on a case-by-case basis, and consider the unique circumstances of each case before reaching a decision.

I'm sorry to learn about what happened to Mr Q and the impact this has had on him. It does appear he's been the victim of a cruel scam, and so I can understand why he would think his

money should be refunded. But I don't think that I can fairly say that Monzo should refund the money he lost. I'll explain why.

I'm aware that I've summarised this complaint briefly, in less detail than has been provided, and in my own words. No discourtesy is intended by this. Instead, I've focussed on what I think is the heart of the matter here. If there's something I have not mentioned, it isn't because I have ignored it. I haven't. I'm satisfied that I don't need to comment on every individual point or argument to be able to reach what I think is the right outcome. Our rules allow me to do this. This simply reflects the informal nature of our service as a free alternative to the courts.

Mr Q has mentioned the Lending Standards Board's Contingent Reimbursement Model (CRM) code, which is a voluntary code designed to protect customers from Authorised Push Payment Scams. Monzo has agreed to abide by the principles of the CRM code, but the code doesn't apply to payments which were made to another account held by the customer, which was the case here. I've therefore considered whether Monzo should reimburse Mr Q under any of their other obligations.

In broad terms, the starting position at law is that a bank such as 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, 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 in April 2025 that 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;
- have acted to avoid causing foreseeable harm to customers, for example by maintaining adequate systems to detect and prevent scams and by ensuring all aspects of its products, including the contractual terms, enabled it to do so;
- 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;
- have been mindful of – among other things – common scam scenarios, how the fraudulent practices are evolving (including for example the common use of multi-stage fraud by scammers, including the use of payments to cryptocurrency accounts as a step to defraud consumers) and the different risks these can present to consumers, when deciding whether to intervene.

Taking the above into consideration, in this case, I need to decide whether Monzo acted fairly and reasonably in its dealings with Mr Q when he made the transaction, or whether it should have done more than it did.

I've reviewed Mr Q's account statements, and I can't conclude that the payment made to the scam would have looked particularly unusual or suspicious to Monzo. I appreciate that the

payment lost to the scam may have represented a lot of money to Mr Q, but it simply was not of a value where I'd usually expect Monzo to be concerned that Mr Q was at a heightened risk of financial harm. I also don't think that Mr Q moving funds around his account before making the payment would have highlighted that he was falling victim to a scam as it isn't unusual for a customer to move funds around before making a payment. Mr Q made one payment, rather than multiple large payments which can sometimes indicate a scam is unfolding. So, in the circumstances, it would have been difficult for Halifax to identify that he was at risk of losing his funds.

The payment was also made to a legitimate cryptocurrency provider. And while there are known fraud risks associated with cryptocurrency, as scams like this have unfortunately become more prevalent, not all payments related to cryptocurrency are scam related. This means that I wouldn't expect Monzo to intervene on a payment just because it related to cryptocurrency, even if Mr Q was making such a payment for the first time.

I've kept in mind that banks such as Monzo process high volumes of transactions each day. There is a balance for Monzo to find between allowing customers to be able to use their account and questioning transactions to confirm they're legitimate. And taking all the circumstances into account here, I don't think it was unreasonable for Monzo not to view the payment as suspicious, such that it should have carried out any additional checks or given an additional warning before processing the payment. So, I've not found that Monzo ought to have done any more to prevent the scam payment Mr Q made.

I've also considered the comments Mr Q has made regarding Monzo's obligations following the introduction of the Consumer Duty. Monzo didn't interact with Mr Q when he made the transaction and given the information that was available to Monzo at the time, I don't think the loss was foreseeable in these circumstances for the reasons I've explained above.

Mr Q has also highlighted that he received a refund from another banking provider. I'm glad he's received some funds back, but this doesn't mean that Monzo is also under an obligation to do the same and based on the above reasons I won't be asking it to do anything further.

Mr Q had some issues after reporting the scam and was provided inaccurate information. Monzo corrected its mistake later that day and offered £25 compensation as part of this. I appreciate that this was a difficult time for Mr Q and that he wanted to know if he would get his money back, but I don't think there is anything else I would be asking Monzo to do in the circumstances.

I have considered whether Monzo could have done anything to recover Mr Q's payment once the scam was uncovered. However, the funds were converted into cryptocurrency and paid to the scammer. Therefore, I don't think there was any realistic possibility of recovery.

I know this outcome will be disappointing for Mr Q and I'm sorry for that. But it would only be fair for me to direct Monzo to refund his loss if I thought it was responsible – and I'm not persuaded that this was the case. For the above reasons, I think Monzo has acted fairly and so I'm not going to tell it to do anything further.

### **My final decision**

For the reasons I've explained, I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr Q to accept or reject my decision before 25 February 2026.

Aleya Khanom  
**Ombudsman**