

## The complaint

Miss S is complaining about Monzo Bank Ltd because it declined to refund money she lost as a result of fraud.

## What happened

Sadly, Miss S fell victim to a cruel job scam after responding to an online advert. The scammers instructed her to set up an account with a cryptocurrency exchange and assisted with this process. Bank statements show she made the following transfers from Monzo to that account in June 2025:

No.	Date	Amount £
1	25 Jun	100
2	27 Jun	360
3	27 Jun	210
4	27 Jun	30
5	28 Jun	50
6	28 Jun	600
7	28 Jun	5
8	28 Jun	15
9	28 Jun	2,900

Once the money was received by the cryptocurrency exchange, I understand it was diverted to other wallets by the scammers. The statements for Miss S's Monzo account show she received payments back from the cryptocurrency exchange totalling around £700 between 25 and 28 June but I understand the rest was lost to the scam.

Our investigator didn't recommend the complaint be upheld. They felt Monzo should have intervened to question Miss S about the final payment but concluded any intervention at this time wouldn't have stopped her from wanting to go ahead. In reaching this conclusion, the investigator referenced a call Miss S had with another bank about another payment she was trying to make to the cryptocurrency exchange.

Miss S didn't accept the investigator's assessment and made the following key points:

- She hadn't made payments to cryptocurrency before and Monzo should have recognised the first payment as being unusual and intervened at that stage.
- She was vulnerable and, as demonstrated by the chat histories she's provided, the scammers subjected her to a sophisticated grooming process. By the time she spoke to other bank on 28 June, she'd fallen much more deeply into the scam. But an earlier intervention by Revolut would have uncovered the scam and to conclude otherwise is speculative.

- She provided inaccurate information about the reason for the payment when she spoke to her other bank because she'd been coached by the scammers on what to say.
- Monzo's failure to act when it should have has caused her significant distress in addition to the money she lost.

The complaint has now been referred to me for review.

### **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've reached the same overall conclusions as the investigator, and for broadly the same reasons. Miss S has made extensive submissions in support of her complaint and I've read all of these carefully. But I haven't commented on every single point raised. I've concentrated instead on the issues I believe are central to the outcome of the complaint. This is consistent with our established role as an informal alternative to the courts. In considering this complaint I've had regard to the relevant law and regulations; any regulator's rules, guidance and standards, codes of practice, and what I consider was good industry practice at the time.

There's no dispute that Miss S authorised these payments. In broad terms, the starting position at law is that a bank is expected to process payments a customer authorises it to make, in accordance with the Payment Services Regulations and the terms and conditions of their account. In this context, '*authorised*' essentially means the customer gave the business an instruction to make a payment from their account. In other words, they knew that money was leaving their account, irrespective of where that money actually went.

There are, however, some situations where we believe a business, taking into account relevant rules, codes and best practice standards, shouldn't have taken its customer's authorisation instruction at 'face value' – or should have looked at the wider circumstances surrounding the transaction before making the payment.

Monzo also has a duty to exercise reasonable skill and care, pay due regard to the interests of its customers and to follow good industry practice to keep customers' accounts safe. This includes identifying vulnerable consumers who may be particularly susceptible to scams and looking out for payments which might indicate the consumer is at risk of financial harm.

Taking these things into account, I need to decide whether Monzo acted fairly and reasonably in its dealings with Miss S.

#### *The payments*

I must take into account that many similar payment instructions Monzo receives will be entirely legitimate. It's not practical to expect the bank to question every payment a customer makes. Instead, it must apply a balance between the requirement to process payments promptly and efficiently and its responsibility to help protect its customers' accounts.

Monzo could clearly see these payments were going to cryptocurrency and would have known this meant there was a higher risk they were associated with fraud. But, contrary to Miss S's assertion, I don't believe Monzo should have questioned the first payment or any of the others prior to payment 9. Having considered what the bank knew at the time, I'm not persuaded it ought to have been particularly concerned about payments 1 to 8. The amounts

involved were relatively low and they were spread across several days. In addition, Miss S received a number of payments back from the cryptocurrency exchange during this time. So I don't believe a pattern of multiple, rapid and increasing payments consistent with many types of known scam had fully emerged. As a result, I don't think there were sufficient grounds for Monzo to think she was at risk of harm from fraud when she made payments 1 to 8 and I can't reasonably say it was at fault for processing them in line with her instructions.

However, payment 9 was for a much larger amount and, in view of the payments that had gone before, I think this was the point when Monzo should have recognised Miss S was at risk of harm from fraud and intervened in the payment process. I've thought carefully about the risks the payment presented and I think a proportionate response to those risks would have been for Monzo to have asked about the purpose of the payment and the surrounding circumstances, most likely by requiring her to speak to one of its agents over the telephone.

The fact Monzo didn't intervene in the way I've said it should have doesn't necessarily mean it should refund any money, however. To make such an award I'd also need to be satisfied that an appropriate intervention before payment 9 left her account would most likely have stopped Miss S from wanting to go ahead with the payments and thereby prevented her losses.

In reaching a conclusion on this issue, I've referred to a conversation Miss M had with an agent from her other bank about another payment to the same cryptocurrency exchange. This call took place on 28 June - the same day as I've said Monzo should have questioned her about payment 9 - and I think her response to this intervention reflects how she would most likely have responded to similar enquiries from Monzo.

During this call, Miss M was warned that scammers often tell victims to hide the real purpose of payments when asked by their bank. She was then asked a number of questions about the payment, in response to which she said she was making an investment rather than that the payments were connected to a job. She said she got the idea of investing in cryptocurrency from a family member, explained which currencies she was investing in and talked about the research she'd carried out. And when asked whether a third party was involved in opening the account she said 'no'. The bank's agent appears to have been satisfied with these answers and the payment was allowed to proceed.

The success of any scam intervention by a bank depends to some extent on the customer providing accurate information about the payment being made. While I understand the reasons Miss S has said she didn't answer the bank's questions accurately, her responses made it much harder for its agent to identify she was falling victim to a scam, and also the type of scam, so that it could provide relevant tailored warnings that might have opened her eyes to what was really going on. If one of Monzo's agents had spoken to Miss S on the same day, I've no reason to think she'd have been any more open about the reasons for the payment or that they should have been any more successful in uncovering the scam.

I've considered Miss S's comments on this issue carefully. But, on balance and taking everything into account, it's my view that an appropriate intervention by Monzo would most likely not have uncovered the scam or prevented her from wanting to go ahead with payment 9.

I want to be clear that it's not my intention to suggest Miss S is to blame for what happened in any way. She fell victim to a sophisticated scam that was carefully designed to deceive and manipulate its victims. I can understand why she acted in the way she did. But my role is to consider the actions of Monzo and, having done so, I'm not persuaded these were the cause of her losses.

Finally, I've noted Miss S's comments about her vulnerability at the time but I've seen nothing to show Monzo was aware of this or could reasonably have been expected to take it into account when deciding whether to process her payment instructions. I also recognise this whole episode has been very distressing for Miss S, but I think that distress was ultimately caused by the actions of the scammers rather than those of Monzo.

### *Recovery of funds*

Miss S isn't entitled to any refund under the industry's reimbursement scheme for authorised push payment (APP) fraud as the payments went to another account in her own name. But I've also looked at whether Monzo could or should have done more to try and recover her money once it was aware that the payments were the result of fraud.

Miss S transferred funds to a legitimate cryptocurrency account in her own name, from where the currency purchased was moved to accounts controlled entirely by the scammers. Monzo could only try to recover the funds from her own account and it appears all the money had already been moved on - it's a common feature of this type of scam that the fraudsters will move money very quickly to other accounts to frustrate any attempted recovery. If not, anything that was left would still have been available to her to access.

In the circumstances, I don't think anything Monzo could have done differently would likely have led to these payments being successfully recovered.

### *In conclusion*

I recognise Miss S has been the victim of a cruel scam and I'm sorry she lost this money. I realise the outcome of this complaint will come as a great disappointment but, for the reasons I've explained, I don't think any further intervention by Monzo would have made a difference to the eventual outcome and I won't be telling it to make any refund.

### **My final decision**

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept or reject my decision before 5 March 2026.

James Biles  
**Ombudsman**