

The complaint

Miss O complains that Monzo Bank Ltd won't refund the money she lost 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 O was looking for a remote job to help her income whilst caring for her baby and, in July 2025, she was approached by a fake recruiter and then a fake representative of Company T (a fake company) offering her an on-line part-time job.

This was a commission-based job completing basic reviews to boost city trip ratings. Miss O was recruited and received some basic training. An account was created for her on a Company T platform and, after completing initial sets of tasks and receiving a few credits, higher earning tasks became available. However, for these more attractive tasks there was a requirement for Miss O to credit her Company T account, and she was told she needed to do this in crypto via an account with Company C (a crypto company) that they helped her set up.

On 11 and 12 July 2025, Miss O transferred £1,802.70 to the scammers' crypto wallet after transferring funds from Firm R to Company C.

As Firm R blocked some payments to Company C on 12 July 2025, including a payment for £465, Miss O decided to start using her Monzo account (after a period of inactivity) crediting it with £465 and then sending this amount to Company C. This was the only payment from Monzo as they delayed and intervened in further payment attempts causing Miss O to revert back to using Firm R.

Miss O suspected a scam when she couldn't withdraw her earnings and was asked to make more payments.

Miss O contacted Firm R and Monzo requesting a refund of her loss. She explained that she was vulnerable, tricked into thinking the job was genuine and that the scam and loss, which she considers could've happened to anyone, has affected her mental health

Monzo rejected her claim as the payment was made through Company C and Miss O brought her complaint to our service. But as the payment was for a low amount and Monzo issued relevant warnings our investigator didn't think they'd done anything wrong.

As Miss O remains dissatisfied, her complaint has been passed to me to look at.

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 not uphold this complaint, and I'll explain why.

I should first say that:

- I'm very sorry to hear that Miss O has been the victim of this cruel job scam which has caused her much distress and financial hardship.
- I'm satisfied that the APP Scam Reimbursement Rules, introduced by the Payment Systems Regulator in October 2024, for customers who have fallen victim to an APP scam, don't apply here. This is because the payment went to another account under Miss O's control.
- Although there isn't any evidence of Monzo's recovery attempts on file, as the funds went to another account in Miss O's name and from there to the scammers in crypto, I wouldn't have expected Monzo to have been successful in recovering Miss O's funds.
- The Payment Services Regulations 2017 (PSR) and Consumer Duty are relevant here.

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 O 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.

Banks 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 made 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.

Consumer Duty

Also, from July 2023 Monzo had to comply with the Financial Conduct Authority's (FCA's) Consumer Duty which required financial services firms to act to deliver good outcomes for their customers. Whilst the Consumer Duty does not mean that customers will always be protected from bad outcomes, Monzo was required to act to avoid foreseeable harm by, for example, operating adequate systems to detect and prevent fraud. Also, Monzo had to look out for signs of vulnerability.

Regarding Miss O's comments about her vulnerability, prior to the scam I can't see that Monzo were aware of this and that she had any discussions with them about how they could support her before she made financial decisions.

With all the above in mind, having looked closely at the payment Miss O made, I also couldn't see that Monzo made any errors.

They recognised that the payment was going to a crypto company and that such transactions have a heightened risk and they put in place an automated intervention. Miss O would've seen a bright and bold exclamation mark saying:

- *'Stop a second. Fraudulent crypto payments are on the rise.'*
- *'If someone's encouraging you to make this payment, it's probably a scam.'*
- *'A scammer would tell you to ignore messages like this one, but don't. If you're at all unsure, cancel this payment and get in touch with us right away.'*

I appreciate that Miss O was under the spell of the scammers, and they were pressurising her, however these warnings were relevant as they were encouraging her to pay them in crypto and ignore warnings.

Monzo's system continued to give Miss O warnings and information about '*Payments to crypto exchanges*' and '*how to spot a scam*'. These included the following that applied to the scam she was experiencing:

- *'Fraudsters may trick you into paying them money by doing one or more of these things.'*
 - *'Talking to you about money making opportunities in WhatsApp groups or social media in general.'*
 - *'Convincing you to open a cryptocurrency account of some kind.'*
 - *'Asking you to buy cryptocurrency and send it to an account that they say they'll manage for you.'*
 - *'Encouraging you to lie about what you're doing to your bank or the cryptocurrency exchange you're buying from.'*
 - *'Telling you to ignore warning messages from your bank.'*
- *'If someone tells you to lie to your bank or ignore warning messages, that's a clear sign they're trying to scam you and you should stop whatever you're doing right away.'*
- *'Don't be pressured into making decisions about what to do with your money, even if they say it's a limited time deal. Genuine businesses will never do that.'*

I'm in no way blaming Miss O for proceeding with the payment as, from looking at Firm R's interventions, I recognise she was likely coached and told to ignore what her banks said. But, considering this was a one off payment for £465, I think the issuing of warnings (which were very relevant) were proportionate for the level of risk.

Crypto payments are legal and common and banks like Monzo process thousands of payments. Also, as mentioned above they have to strike a balance and not unnecessarily inconveniencing or delay legitimate transactions. So, I wouldn't have expected Monzo to have done more here such as a block and then put in place a human intervention to probe what she was doing.

I noted Monzo did this for a subsequent payment. that was a larger amount and immediately followed the release of £465. Also, Firm R did put a human intervention in place, but Miss O wasn't truthful. And from listening to her answers to Firm R's probing questions, even if

Monzo put in place this type higher-level intervention, I don't think they would've been able to ascertain the payment was for a job and prevent her from making the payment.

So, I'm sorry to disappoint Miss O but although I have great sympathy for her financial loss and traumatic experience, I don't think Monzo did anything wrong and I'm not upholding this complaint.

My final decision

For the reasons mentioned above, my final decision is that I'm not upholding this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss O to accept or reject my decision before 27 December 2025.

Paul Douglas
Ombudsman