

The complaint

Mr S is unhappy Monzo Bank Ltd will not refund all the money he lost to an authorised push payment (APP) scam.

What happened

As both parties are familiar with the details of the scam, I will not repeat them here in full. In summary, Mr S fell victim to a job/task scam. He was contacted via a professional social networking platform and offered a job in digital marketing. He was told to open a cryptocurrency account. From there he deposited funds onto the job platform. This allowed him to access orders that he would receive commission for completing. He had made the following payments, and received commissions totalling £735.30 between 13 and 16 February 2025:

payment	date	time	value
1	12/02/2025	16.39	£20
2	14/02/2025	14.32	£85
3	14/02/2025	16.14	£60
4	15/02/2025	12.12	£100
5	16/02/2025	11.09	£100
6	16/02/2025	12.54	£250
7	16/02/2025	13.28	£35
8	17/02/2025	7.49	£90
9	17/02/2025	14.48	£1,000

The scammer then asked Mr S to send a larger payment that he recalls was for £3,500. Monzo stopped this. Monzo's submission shows the payment it stopped was for £3,600 but this difference does not in any way impact the assessment of the merits of Mr S's complaint. When he made this payment instruction, also on 17 February 2025, Monzo intervened and called Mr S before processing the transaction. It broke the spell of the scam on this call preventing any further loss.

Mr S says Monzo failed to protect him at an earlier stage when there were multiple warning signs and opportunities to intervene. Even though it did later identify the scam it refused to take any steps to recover or refund the earlier payments. The financial and emotional impact of this scam has been immense.

Monzo says it was unable to reimburse the funds because the money reached his third-party account and Mr S sent the funds from there to the scammer. In this situation, despite the money being transferred from the Monzo account to the platform as part of the scam, the payments were genuine as they were transferred to a crypto account in his name.

Our investigator did not uphold Mr S's complaint. She found Monzo's intervention was at the point we would expect. It was reasonable it could not recover funds from the earlier payments as Mr S had already moved them on to the scammer.

Mr S disagreed and asked for an ombudsman's review. He said the cumulative nature of the transactions, the psychological manipulation involved, and the evolving tactics used in crypto-related scams warranted closer scrutiny. Monzo's intervention shows its systems were capable of identifying risk. Earlier intervention, based on behavioural indicators and transaction context, could have prevented him suffering this significant loss.

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.

There's no dispute that Mr S made and authorised the payments. Mr S knew who he was paying, and the reason why. At the stage he was making these payments, he believed he was transferring funds to allow him to access orders that he would earn commission for completing. I don't dispute Mr S was scammed and he wasn't making payments for the reason he thought he was, but I remain satisfied the transactions were authorised under the Payment Services Regulations 2017. But it does not end there.

Taking into account the law, regulator's rules and guidance, relevant codes of practice and what I consider to have been good industry practice at the time, I consider that by February 2025 Monzo should fairly and reasonably have:

- 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 particularly the increase in multi-stage scams involving cryptocurrency, and the different risks these can present to consumers, when deciding whether to intervene.

To note as the payments were made to an account in Mr S's own name the Faster Payments Service's mandatory scam reimbursement rules do not apply in this case.

I am satisfied Monzo intervened at the right time. And its proportionate intervention successfully broke the spell of the scam.

I don't agree that the pattern of payments prior to what would have been payment 10 in the scam should have triggered an intervention. In between the first eight payments Mr S had moved back £735.30 from the recipient account - against an outlay of £940. The values fluctuated and the payments were not made in rapid succession. Payment 9 did increase in value but a one-off higher value payment from an account is not uncommon and not necessarily indicative of possible harm. The payments were made to a well-known, legitimate cryptocurrency exchange. And while there are known fraud risks associated with cryptocurrency, many consumers use their services to legitimately invest/trade via such platforms.

There is a balance to be struck. Banks have obligations to be alert to fraud and scams and to act in their customers' best interests. But they can't reasonably be involved in every transaction, this would cause unsustainable disruption to legitimate payments activity.

I have also considered if Monzo did enough to try to recover Mr S's money once it identified the scam. The payments were made to an account in Mr S's name at a cryptocurrency exchange, and he then sent that cryptocurrency to the scammer. So, Monzo would not have been able to recover the funds from the account it credited and I find no failing on its part in this regard.

Mr S says that the psychological manipulation he was subject to has to be taken into account. I am sorry he fell victim to a cruel and sophisticated scam, and I don't underestimate the impact this must have had on him. But I can only consider whether the bank, which had no involvement in the scam itself, should be held responsible for what happened. As I find it intervened at the right time, for the reasons set out above, I cannot fairly hold it liable for Mr S's losses.

He also referenced 'previous Ombudsman outcomes' as another reason why this complaint should be upheld. But there are many legitimate reasons why cases that appear similar have different outcomes.

My final decision

I am not upholding Mr S's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 23 February 2026.

Rebecca Connelley
Ombudsman