

The complaint

Mr A complains that Monzo Bank Ltd won't refund the full amount of money he lost to a scam.

What happened

The background to this complaint is well-known to both parties, so I won't repeat it in detail here. But in summary and based on the submissions of both parties, I understand it to be as follows.

Mr A complains that he sent several payments to what he thought was a legitimate task-based job.

When Mr A realised he had lost his money, he raised a complaint with Monzo.

Monzo looked into the complaint and upheld it in part. It didn't think it had done anything wrong by not stopping the payments Mr A made to the scam. Monzo did find its customer service could have been better when Mr A reported the scam and for this failing offered £30 compensation. Mr A thought he should also be refunded the payments he made, so he brought his complaint to our service.

Our investigator looked into the complaint but didn't uphold it. Our investigator didn't think the payments were of a value that would have triggered Monzo's automatic payment checking system. He also didn't think Monzo could have recovered the money.

As Mr A didn't agree with the investigator's view, the complaint has been passed to me to decide.

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.

I'm very 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 significant part here. If there's something I've not mentioned, it isn't because I've ignored it. I haven't. I'm satisfied 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.

Where the evidence is incomplete, inconclusive, or contradictory, I must make my decision on the balance of probabilities – that is, what I consider is more likely than not to have happened in the light of the available evidence and the wider surrounding circumstances.

In line with the Payment Services Regulations (PSR) 2017, consumers are generally liable for payments they authorise. Monzo is expected to process authorised payment instructions

without undue delay. As a bank, it also has long-standing obligations to help protect customers from financial harm from fraud and scams. However, there are many payments made by customers each day and it's not realistic or reasonable to expect a bank to stop and check every payment instruction. There's a balance to be struck between identifying payments that could potentially be fraudulent, and minimising disruption to legitimate payments.

Having considered the size of the individual payments, I'm satisfied they were not of a value or remarkable enough to have triggered Monzo's payment checking process. The payments were also spread across different days.

I must also consider that not every payment going to cryptocurrency providers will be part of a scam, and that it would be wholly impracticable for financial firms to block every cryptocurrency payment made from their payment facilities.

So, I don't find Monzo did anything wrong when they didn't stop the payments Mr A is now disputing.

Recovery

Monzo didn't attempt to recover the funds, but I don't find they were wrong for not doing so. The money was sent to wallets in Mr A's name before being moved on to the scammer. So, no recovery would be possible. If any money remained in those wallets, Mr A would be able to move it back himself.

Mr A was offered £30 for customer service failings. Having considered this amount, I find it fair in the circumstances - based on the impact Mr A has said it had on him and in line with what I would have recommended had it come to our service first.

Mr A feels that Monzo should refund the money he lost due to the scam. I understand that this will have been frustrating for him. But I've thought carefully about everything that has happened, and with all the circumstances of this complaint in mind I don't think Monzo needs to pay Mr A any further compensation. I realise this means Mr A is out of pocket and I'm sorry he's lost this money. However, for the reasons I've explained, I don't find I can reasonably uphold this complaint.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr A to accept or reject my decision before 20 February 2026.

Tom Wagstaff
Ombudsman