

## The complaint

Miss S complains that Monzo Bank Ltd ('Monzo') won't refund the money she lost after falling victim to a scam.

## What happened

The background to this complaint isn't in dispute, so I won't go into detail.

In summary, Miss S fell victim to a job scam. She was looking online for additional income options and found a company I'll refer to as W. W offered Miss S a remote working role that involved liking videos on a social media platform. Miss S was told she could earn significantly more by buying and selling cryptocurrency. Ultimately, when Miss S couldn't afford to send any more money and couldn't withdraw her funds, she realised it was a scam.

These are the payments that Miss S made from her Monzo account.

Date	Pmt no	Details of transaction	Amount
14.8.2025	1	Transfer to C – cryptocurrency exchange	£1,850
14.8.2025	2	Transfer to C – cryptocurrency exchange	£2,290
14.8.2025	3	Transfer to C – cryptocurrency exchange	£700
14.8.2025	4	Transfer to C – cryptocurrency exchange	£2,350
15.8.2025	5	Transfer to C – cryptocurrency exchange	£2,460
15.8.2025	6	Transfer to C – cryptocurrency exchange	£1,000
16.8.2025	7	Transfer to C – cryptocurrency exchange	£1,200
16.8.2025	8	Transfer to C – cryptocurrency exchange	£2,770
17.8.2025	9	Transfer to C – cryptocurrency exchange	£2,640
17.8.2025	10	Transfer to C – cryptocurrency exchange	£2,000

Miss S reported the scam to Monzo who declined to refund her. Monzo said while no warnings were given when the payments were made, they're not liable for Miss S's loss.

Miss S wasn't happy with Monzo's response, so she brought a complaint to our service.

An investigator looked into her complaint and didn't uphold it. The investigator felt Monzo should've intervened when Miss S made payment two and provided a written warning. But they weren't convinced that this would've uncovered the scam or prevented Miss S's loss, as she was being guided by the scammer in how to answer the questions. So, it was unlikely that Monzo would've uncovered the real purpose of the payments.

Miss S disagreed with the investigator's opinion and asked for an ombudsman to review her case. Miss S says she was forced to use her Monzo account when another bank (which I'll refer to as R) blocked her payments, but Monzo did nothing to stop the scam from continuing. Monzo had a chance to intervene early and failed to do so.

## 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.

Where there is a dispute about what happened, and the evidence is incomplete or contradictory, I've reached my decision on the balance of probabilities. In other words, on what I consider would more likely than not have happened in light of the available evidence.

I understand that the loss of these funds has had a devastating impact on Miss S, both financially and health wise. As well as the stress that Miss S suffered, being the victim of a cruel scam.

But, having considered all of the evidence, I've reached the same answer as the investigator. I'll explain why.

In broad terms, the starting position at law is that Monzo are 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. Here it's not in dispute that Miss S authorised the payments, although she did so not realising she was the victim of a scam. So, the starting position is that Monzo aren't liable for her loss.

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 August 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.

I'm satisfied that when Miss S made payment two, Monzo should've identified a potential risk of financial harm from fraud. I say this as the payments were identifiably related to cryptocurrency and Miss S had transferred over £3,000. Monzo are aware of the heightened risk associated with payments to cryptocurrency, so I would've expected them to have asked Miss S questions to identify the specific scam type she was potentially falling victim to. Then, based on the answers Miss S gave, I would've expected Monzo to have provided a dynamic warning that set out the key features of the scam type they identified.

The fact that Monzo didn't intervene when I'm satisfied they should have, doesn't necessarily mean that Miss S is entitled to a refund. I have to go on to consider what I think would more

likely than not have happened as a result of that intervention and whether I'm satisfied that Miss S's loss would've been prevented.

Here, Miss S was being heavily coached by the scammer. When she was making payments from her account with R, which were prior to the payments she made from her Monzo account, she was sharing screen shots with the scammer of the questions R were asking. The scammer was then providing Miss S with answers to give in response to the questions. As a result, Miss S wasn't honest in answering R's questions. She told R that the investment was introduced to her by a cousin who had been trading in cryptocurrency for a few years. And, after watching him for some time, she had decided to invest herself. She also told R that she wasn't being guided in answering their questions. R initially provided an onscreen warning but later called Miss S to discuss a payment she was attempting to make. During the call with R, Miss S was sharing the questions with the scammer and giving the answers the scammer provided. As part of this call, Miss S repeated her story that her cousin had introduced her to investment and said she was aware of the risks of cryptocurrency trading. Miss S never disclosed that she had found the investment through an online job opportunity or that the payments were initially made in relation to that job. Because of this R was unable to uncover the actual scam Miss S had fallen victim to.

Based on Miss S's interactions with R, I'm persuaded that it's more likely than not intervention with Monzo would've been similar. I'm not persuaded that Monzo would've been told that Miss S had found a job online, so they wouldn't have known to provide a job scam warning – which would've resonated with Miss S's situation. While the job scam later turned into an investment scam, I'm not satisfied that an investment scam warning would've prevented Miss S's loss. I say this because the key features of investment scams include finding the investment on social media, endorsement by well-known individuals or celebrities, being promised returns that are too good to be true, and being guaranteed a return. I'm not satisfied that these features would've resonated with Miss S or prevented her from making her payments.

Miss S feels that Monzo should've blocked her payments, however I'm not persuaded it would've been reasonable for Monzo have blocked her payments if she had shared the same story with them that she shared with R. Also, I can't say that it's more likely than not blocking the payments would've prevented her loss. When R blocked her payments, Miss S moved to using her Monzo account to get around R's intervention. It's highly possible that if Monzo had blocked her payments, she may've found another way to continue making the payments. But, regardless, as I've said above, I'm not satisfied that I can fairly say Monzo should've blocked her payments based on the information I think Miss S would've shared with them.

I realise that Miss S was being heavily coached by the scammer, which Monzo should be aware happens in scams. However, it wasn't clear in Miss S's interactions with R that this was happening. Even in the call she had with R, she was providing answers consistent with those she had previously given through in-app chat, and I'm not satisfied there were obvious indicators that she wasn't being honest in her answers. So, I can't fairly say that intervention with Monzo would've had a different outcome.

I'm really sorry that Miss S has been the victim of a scam and the impact it's had on her. But, based on the evidence, I'm not satisfied that I can fairly ask Monzo to refund her.

### **My final decision**

My final decision is that I don't uphold this complaint against Monzo Bank Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss S to accept

or reject my decision before 18 March 2026.

Lisa Lowe  
**Ombudsman**