

The complaint

Miss D says MONZO BANK LIMITED ('Monzo'), didn't do enough to help when she fell victim to a job task scam. She says Monzo should reimburse the money she lost.

What happened

As both parties are familiar with the circumstances of this complaint, I've summarised them briefly below.

In or around September 2025, Miss D came across what she believed was a genuine job opportunity. She was told the job involved carrying out tasks online, generating her earnings. Believing everything to be genuine Miss D proceeded, but unknown to her at the time, she had been contacted by fraudsters. The fraudsters then persuaded Miss D to pay her own money in order to proceed with the work and/or receive her earnings.

To facilitate the payments, Miss D sent funds from her Monzo account to a cryptocurrency account in her own name, that I'll call 'K', that she had been told to open. Once Miss D's funds had been transferred into her cryptocurrency account and converted, they were subsequently moved on to accounts that the fraudsters controlled.

Payments	Date	Time	Type of transaction	Amount
1	03/09/2025	4.20pm	Open banking payment to 'K'	£10
2	04/09/2025	3.08pm	Open banking payment to 'K'	£30
3	04/09/2025	3.55pm	Open banking payment to 'K'	£10
4	04/09/2025	6.12pm	Open banking payment to 'K'	£100
5	04/09/2025	7.45pm	Open banking payment to 'K'	£360
			Total loss:	£510

Miss D realised it was a scam, when she was asked to pay a larger sum by the fraudsters to complete her 'tasks' which would enable her to withdraw her earnings.

Miss D raised the matter with Monzo, but it didn't agree it was liable to reimburse her. In summary, it said the Faster Payment Scheme – Reimbursement Rules ('Reimbursement Rules') – which provide some protection and reimbursement to some victims of APP scams – wasn't applicable. And this was because the Reimbursement Rules require a customer to transfer funds to an account in another person's name. And here the payments Miss D made were to an account in her own name with K. Monzo also considered it wasn't the point of loss and Miss D should contact K.

Unhappy, Miss D brought her complaint to our service. Our Investigator reviewed the matter and didn't recommend the complaint be upheld. They were satisfied Miss D had authorised the payments and they didn't think Monzo ought to have done more to identify the payments as potentially fraudulent in the circumstances. They didn't consider Monzo ought to have had a cause for concern that Miss D was potentially at risk of financial harm, or that she was falling victim to a scam to an extent that it ought to have intervened and questioned her further about the payments.

With regards to the recovery of any funds the Investigator considered that, as the payments went to an account in Miss D's own name with the funds being converted into cryptocurrency and then sent on, there wasn't anything further that Monzo could do to help Miss D recover her funds from K.

Miss D disagreed with the Investigator's opinion, and in summary, thought more should have been done by Monzo to prevent her losses.

As Miss D disagreed with the Investigator's opinion, and as the matter hasn't been resolved, it's 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.

In deciding what's fair and reasonable in all the circumstances of a complaint, I'm required to take into account relevant: law and regulations; regulators' rules, guidance and standards; codes of practice; and, where appropriate, what I consider to have been good industry practice at the time.

I'm aware that I've summarised this complaint and the responses 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 heart of the matter here – which is to determine whether Monzo should have done more to prevent Miss D's losses. 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 an alternative to the courts.

Having thought very carefully about Monzo's actions, I'm not upholding Miss D's complaint. I do appreciate how disappointing this will be for her. Miss D was a victim to a cruel scam and thought she was earning some additional income through what she believed was a genuine opportunity. But in weighing everything up, I don't think I can fairly say Monzo should reimburse her. I'll explain why.

It is agreed by all parties that Miss D made the payments. So, it is the case that Miss D authorised the payments that are in dispute. And under the Payment Service Regulations 2017 (which are the relevant regulations in place here) that means Miss D is responsible for them. And that remains the case even though Miss D was the unfortunate victim of a scam.

There are some additional schemes that provide reimbursement to victims of scams, such as the Contingent Reimbursement Model ('CRM') Code – which was in effect up until 6 October 2024, and the Reimbursement Rules – which came into effect on 7 October 2024. As the payments Miss D made were in September 2025, the CRM Code isn't an applicable consideration here.

The Reimbursement Rules, which were in place at the time of Miss D's payments, put a requirement on firms to reimburse Authorised Push Payment ('APP') scam payments made via the Faster Payments Scheme or via CHAPS.

However, under the Reimbursement Rules (and it was the same for the CRM Code) it requires the APP scam payments to have gone to another person's account (that a consumer didn't control). Here, the payments went to an account in Miss D's own name, so it means the Reimbursement Rules aren't an applicable consideration in this case.

Despite the Reimbursement Rules not applying to the payments Miss D made, there are times when I might expect a bank to question a transaction or payment, even though it may have been properly authorised. Broadly speaking, firms (like Monzo) should fairly and reasonably have been on the lookout for the possibility of fraud in order to protect its customers from the possible risk of financial harm as a result of fraud and scams.

What does this mean for Miss D?

In this case, I need to decide whether Monzo acted fairly and reasonably in its dealings with Miss D when she made the payments, or whether it should have done more than it did.

I've thought about this carefully. Having done so, I can't fairly say any of the payments Miss D made would (or should) have alerted Monzo that Miss D was potentially at risk of financial harm, to an extent whereby it should have carried out some additional checks before processing the payments. So, I don't consider Monzo are liable for the losses Miss D incurred. I'll explain why.

I have to be mindful that banks process a high volume of transfers and transactions each day. And a bank has to strike a balance as to when it should possibly intervene on a payment against not holding up or delaying its customer's requests.

Here, I don't consider there is anything so unusual or remarkable about the payments, or the amounts, that ought to have alerted Monzo to the possibility Miss D was being scammed or was at risk of financial harm. The amounts Miss D sent weren't so remarkable or significant. And, given the volume of payments Monzo processes, the amounts weren't so significant that I would expect Monzo to carry out some additional checks on the payments.

While the payments were identifiably going to a cryptocurrency exchange provider – that in and of itself doesn't automatically mean that Miss D was potentially falling victim to a scam. K is a genuine cryptocurrency exchange provider. And while cryptocurrency scams are prevalent, not all payments to cryptocurrency exchange providers are as a result of a scam. And here Miss D had authorised the open banking payments to it. So Monzo were satisfied that it was Miss D making the payments and that they were going to an account in Miss D's name. And given the amounts weren't so remarkable I don't think it ought to have given Monzo cause for concern that Miss D was at risk. Had the amounts been larger or had Miss D gone on to make further payments, then I might consider they ought to have flagged on Monzo's fraud detection system. But that wasn't the case here.

So, all things considered; I don't think it was unreasonable that the payments didn't flag as suspicious – and I can't say Monzo acted unfairly by not carrying out any additional checks.

Recovery of the funds

I have also considered whether Monzo did all it could to try and recover the money Miss D lost. Here, the payments Miss D made were to K, a genuine cryptocurrency exchange, and the fiat funds were converted into cryptocurrency and sent on to the scammer's wallets. So, there wasn't anything further Monzo could do to help Miss D recover her funds from K as they had already been moved on.

Summary

While I appreciate Miss D's been the unfortunate victim of a cruel scam, I think Monzo's decision not to refund her in this instance was fair and reasonable in the circumstances.

I say this because Monzo followed Miss D's instructions to make the payments, and I haven't seen any reason why it shouldn't have done this. And unfortunately, there wasn't anything further Monzo could do to help Miss D recover her funds from K as they had already been converted into cryptocurrency and sent on.

My final decision

For the reasons given above, I don't uphold this complaint.

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

Matthew Horner
Ombudsman