

The complaint

Mr A complains that Monzo Bank Ltd ('Monzo') won't refund him the money he lost after he fell victim to an Authorised Push Payment ('APP') scam.

In bringing his complaint to this service Mr A is represented.

What happened

I issued a provisional decision for this complaint on 7 January 2026. In it I set out the background and my proposed findings. I've included a copy of the provisional decision at the end of this final decision, in italics. I won't then repeat all of what was said here.

Both parties have now had an opportunity to respond to the provisional decision.

Monzo didn't raise any further arguments. Through his representatives, Mr A responded, but didn't accept the findings within the provisional decision. In summary, he said;

- It was unfair to assume that the fraudsters had coached him.
- The bank ought to have intervened and had it done so, he wouldn't have lost this money. He added that the bank had failed in its duty to intervene and provide effective warnings.
- He had many vulnerabilities, which he said the bank should have noted and provided him with extra protection for.

As all parties have now had the opportunity to respond, I'm going on to issue my final decision.

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've considered Mr A's further comments, but these don't change my outcome here. Mr A has argued, in summary, that there were critical signals with what was happening that ought to have led Monzo to take further action to protect him.

I acknowledge the points that Mr A's representatives have raised and, as detailed in my provisional decision, I agree that I think there was an opportunity for Monzo to have picked up on things that could have indicated that Mr A was at risk of financial harm and it could have intervened further. However, as I went on to say in the provisional decision, this, in and of itself, isn't enough to say that Monzo is responsible for refunding Mr A the money he sadly lost. I'd also have to be persuaded that any further, proportionate, intervention would have made a difference – and for the reasons explained in my provisional decision I don't think it would have.

I also agree that Monzo ought to be on alert to the possibility that a customer may be coached. In the circumstances of this case, the evidence that was presented to me seemed

to be incomplete. Where this is the case, as explained in the provisional decision, I have to base my findings on the balance of probabilities. That is, what is more likely than not to have happened based on the evidence available.

The evidence that I do have, indicates to me that Mr A was reaching out to the fraudsters for guidance and support around the payments he was making. Given what Mr A told Monzo, I don't think the most obvious scam risk would have been that of a job scam – so I wouldn't reasonably have expected Monzo to have warned Mr A against such scams. And I don't think a warning about a purchase scam, which I'm persuaded based on what Monzo knew, would have been the most obvious to it, would have resonated with Mr A and I don't think it would have prevented him from proceeding.

It follows that with all things considered, I can't reasonably conclude that it's more likely than not, that any further proportionate interventions would have made a difference. I'm satisfied that the evidence supports that it is more likely than not that Mr A would have moved passed any further warnings, under the guidance of the fraudsters, and it wouldn't have prevented him from making further payments.

Mr A has said that he had many vulnerabilities at the time and Monzo should have offered him additional protection because of this. But as I said in my provisional decision, I haven't seen anything to suggest that Monzo were made aware that Mr A had vulnerabilities, or that it ought to have identified them. So, I don't think Monzo could have reasonably been expected to have taken any additional steps to protect Mr A.

I am sorry that Mr A has lost money in this way, and he does have my sympathy. But based on the evidence I've seen, it wouldn't be fair or reasonable for me to ask Monzo to refund him the money he has sadly lost.

My final decision

For the reasons I've given above and in my provisional decision, 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 23 February 2026.

Provisional Decision

I've considered the relevant information about this complaint.

I intend to reach a different outcome to that of the Investigator. And in doing so, I wanted to give both parties an opportunity to respond with any further points before issuing my final decision.

The deadline for both parties to provide any further comments or evidence for me to consider is 21 January 2026. Unless the information changes my mind, my final decision is likely to be along the following lines.

If I don't hear from Mr A, or if they tell me they accept my provisional decision, I may arrange for the complaint to be closed as resolved without a final decision.

The complaint

Mr A complains that Monzo Ltd ('Monzo') won't refund him the money he lost after he fell victim to a scam.

In bringing his complaint to this service Mr A is represented, but for ease of reading I will refer to Mr A, throughout this decision.

What happened

The background to this complaint is well known to both parties and has been laid out in detail by our Investigator in their view, so I won't repeat it all in detail here. But in summary, I understand it to be as follows.

In or around January 2024, Mr A was contacted about a job opportunity. He was told the job involved carrying out tasks online, for which he would earn a salary and a commission. Believing everything to be genuine Mr A proceeded, but unknown to him at the time, he had been contacted by fraudsters. The fraudsters then persuaded Mr A to pay his own money in order to proceed with the work.

As part of the scam, Mr A moved money between and made transactions from accounts he held with other payment providers, as well as opening other accounts (including a Monzo account). The scam saw Mr A moving money between his accounts to facilitate payments, making faster payments to individuals who were selling cryptocurrency through 'peer-to-peer' (P2P) exchange platforms and sending money directly to an account he held with a cryptocurrency platform. His payments, having been converted into cryptocurrency were subsequently transferred into accounts that were controlled by the fraudsters.

Between 11 February 2024 and 10 April 2024, Mr A made multiple transfers from his Monzo account, totalling over £12,000. Our Investigator has laid these payments out in detail in their view, so I don't intend to repeat them here.

Mr A raised the matter with Monzo, but it didn't uphold his complaint. In summary, it didn't think it was liable to refund Mr A as it wasn't the point of loss. Rather the money had been lost from the cryptocurrency platform from which the funds were moved to the fraudsters.

Unhappy with Monzo's response, Mr A brought his complaint to this service. One of our Investigators looked into things and thought the complaint should be upheld in part. In summary, our Investigator thought Monzo ought to have recognised that Mr A could be at a heightened risk of financial harm when he made a payment for £3,309.52 on 31 March 2024. Our Investigator thought Monzo should have intervened at this point, and had it of done and warned Mr A, it would have made a difference and Mr A wouldn't have gone ahead with this, or the subsequent payments.

But our Investigator also thought Mr A should bear some responsibility for his loss. In summary, this was because they thought there was enough going on that ought to have led him to have some concerns about the legitimacy of the job and what he was being asked to do. Overall, our Investigator thought Monzo should refund Mr A 50% of his loss from the payment mentioned above, along with interest.

Monzo didn't agree with our Investigator's view. As agreement couldn't be reached, the complaint has been passed to me for a decision.

What I've provisionally 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 broad terms, the starting position at law is that a firm is expected to process payments and withdrawals that a customer authorises, in accordance with the Payment Services Regulations 2017 and the terms and conditions of the customer's account. Here, it is not in dispute that Mr A authorised the payments in question, so that means he is liable for them in the first instance, even though he was the victim of a scam.

However, that is not the end of the story. The regulatory landscape, along with good industry practice, sets out a requirement for account providers to protect their customers from fraud and financial harm. And this includes monitoring accounts to look out for activity that might suggest a customer was at risk of financial harm, intervening in unusual or out of character transactions and trying to prevent customers falling victim to scams.

So, in this case, I need to decide whether Monzo acted fairly and reasonably in its dealings with Mr A when it processed the payments, or whether it should have done more than it did. In doing so, I'm mindful that firms, such as Monzo, process a high volume of transfers and transactions each day. And a balance has to be struck as to when it should possibly intervene on a payment(s) against not holding up or delaying its customer's requests.

I don't disagree with our Investigator's position that there was enough going on, at the point Mr A was making a payment for £3,309.52 on 31 March 2024, for Monzo to have been concerned that he may have been at risk of financial harm, and I agree it ought to have intervened at this point. However, this in and of itself isn't enough for me to say that Monzo are liable to refund Mr A the money he sadly lost. I'd also need to be persuaded that a proportionate intervention would have made a difference and stopped Mr A from losing this money.

While I don't dispute Mr A's version of events, in the circumstances of this case, there are gaps in the evidence that has been provided. Mr A hasn't been able to provide details of an account he held with another payment service provider, which I'll refer to as "W" (from where initial payments were made to the fraudster), as he says the details of the account were lost when he changed his phone. Mr A has added that the account he held with W was closed due to the scam. Without being able to confirm otherwise, this suggests to me that W would have been concerned about the payments Mr A was making and it's more likely than not it would have communicated such concerns with him.

Alongside this, there also appears to be gaps in the evidence that has been provided of the communications Mr A had with the fraudster who was pertaining to be his trainer/mentor. Mr A has shared some details of messages that were exchanged with his trainer/mentor, but these stop on 18 January 2024. But, in other messages with what appears to be a 'customer service team', there are later messages that appear to suggest Mr A is still in communication with his trainer/mentor after this time. And I'm also mindful that the payments extend here for several more weeks. My experience of how these jobs scams typically play out is that communication with a victim's trainer/mentor continues throughout the duration of the scam.

Where there are gaps, or evidence is no longer available, as is the case here, I have to base my findings on the balance of probabilities. That is, what is more likely than not to have happened based on the evidence available.

A proportionate response from Monzo, would have been for it to carry out some sort of intervention to establish further details surrounding the payments, and to then provide a

tailored warning, through its automated functions, based on any apparent risk that may present itself.

The evidence that I do have, of the messages that Mr A exchanged with the fraudsters, indicate that he was reaching out to the fraudsters around how he should navigate through the payments and asking for guidance and support. I'm also mindful here that when Monzo did ask Mr A about the reason behind one of the payments he made, he chose the option of 'prefer not to say'. On another payment, where Monzo asked Mr A the purpose of the payment, he said he was purchasing equipment. Both of these responses lend weight to the notion that Mr A was being coached by the fraudsters around how to navigate the banks fraud detection systems and that he wasn't giving accurate answers.

Based on what Monzo knew and on what Mr A had told it, the most obvious scam risk would have been that of a purchase scam. But, given Mr A was falling victim to a job scam, I'm not persuaded that Monzo presenting a warning around purchase scams would have resonated with him and so I'm not persuaded it would have prevented him from continuing with his payments.

The evidence here also supports that Mr A was determined to make the payments. I say that as when he has experienced difficulties in making payments with other banking providers - it seems to me that he simply reverted to identifying alternative options for making the payments. This is evident by what has happened here, with Mr A setting up accounts with different providers in order to facilitate the payments, including opening a Monzo account. I'm persuaded, based on the evidence I've seen of Mr A asking the fraudsters for guidance and with the lack of any substantive evidence to prove otherwise, the most likely scenario here is that Mr A was being coached.

Overall, with all things considered and given the circumstances, I don't think Monzo can fairly be held responsible for Mr A's loss and, in the individual circumstances of this case, the evidence doesn't support that it would more likely than not have been able to prevent Mr A from making these payments.

Thinking next about the recovery of payments, given Mr A sent the money from Monzo to individual sellers (who were unlikely to have been involved in the scam) for the purchase of cryptocurrency or through transferring money directly to a cryptocurrency wallet he held – there would have been no opportunity for Monzo to have recovered any of the money he sadly lost.

I'm mindful that Mr A has said he was vulnerable at the time the payments were made. I recognise that Mr A has fallen victim to a scam and I'm sorry to hear of the difficult personal circumstances that he has been faced with. But I haven't seen anything to suggest that Monzo were made aware of any vulnerability factors or ought to have identified them, such that it should have known to take additional steps to protect Mr A.

I don't intend any comments or findings I've made in this decision to downplay or diminish the impact this scam has had on Mr A. It's very unfortunate Mr A has lost this money in this way, and I understand the whole experience has been deeply upsetting and I do have a great deal of sympathy for him. But in the circumstances, having carefully considered everything, I don't find Monzo could have reasonably prevented Mr A's loss here. Neither do I find there were any other failings on Monzo's part that would lead me to uphold this complaint.

My provisional decision

For the reasons explained above, my provisional decision is that I don't uphold this complaint.

Stephen Wise
Ombudsman