

## The complaint

Miss C has complained Monzo Bank Ltd lodged a fraud-related marker on the industry fraud database, CIFAS, in her name.

## What happened

In 2022 Miss C was told by Monzo that they were closing her account. They also lodged a fraud-related marker on her record with CIFAS.

After being unable to open further accounts and worried about the impact on her future, Miss C complained and asked Monzo to remove the marker. Monzo didn't feel they'd done anything wrong and refused to remove this.

Miss C brought her complaint to the ombudsman service.

Our investigator reviewed the evidence and believed this showed it was most likely Miss C had been aware of what was going on when a friend was making use of her account. He wasn't going to ask Monzo to do anything further.

Miss C disagreed with this outcome. She's asked an ombudsman to consider her complaint.

## 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.

Having done so, I've reached the same outcome as our investigator. I'll explain why.

It is clear what the requirements are prior to lodging a marker. Specifically:

*“There must be reasonable grounds to believe that an identified fraud or financial crime has been committed or attempted.*

*The evidence must be clear, relevant and rigorous.”*

So Monzo must be able to provide clear evidence that an identified fraud was being committed and Miss C was involved.

There's also a requirement that Monzo should be giving the accountholder an opportunity to explain what was going on.

I've seen the evidence provided by Monzo. This confirms that Monzo received a fraud report from another bank whose customer felt they'd been defrauded in not getting something they'd ordered after sending £300 to Miss C's Monzo account. However Monzo also confirms at no stage did they contact Miss C to discuss what had been going on.

Miss C has told us she allowed a friend to use her account by giving them her card and PIN. She's argued she wasn't aware of what he was doing.

But this doesn't match the evidence. Even before this transaction where I've seen evidence it was reported as fraudulent, there were numerous credits into Miss C's account.

Even taking Miss C's young age into account, I have to wonder why she wasn't asking why this friend wasn't able to use their own account.

There were also transfers from Miss C's account, If her friend only held her card and PIN, these transactions must have been made by Miss C. There are also credits to an account in Miss C's name so, from reviewing the account evidence, it looks as if Miss C was benefitting from this fraud.

The requirements around banks lodging markers at CIFAS include there being sufficient evidence that the customer was aware and involved in what was going on. In this case I think this most likely exists here from reviewing the payments into and out of Miss C's Monzo account. I appreciate she's young but that alone isn't a defence against fraud.

Based on the evidence of payments into Miss C's account (which was money by her own admission that wasn't hers) and the payments out of her account, I don't believe it would be right to ask Monzo to remove the CIFAS marker.

I know Miss C disputes this but overall I'm satisfied that Monzo had sufficient clear evidence to lodge the CIFAS marker, despite them not clarifying her account use with her.

### **My final decision**

For the reasons given, my final decision is not to uphold Miss C's complaint against Monzo Bank Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 16 April 2024.

Sandra Quinn  
**Ombudsman**