

The complaint

Mr T has complained Monzo Bank Ltd lodged a fraud-related marker on the industry fraud database, CIFAS, in his name.

What happened

In 2023 Mr T was told by Monzo that they were closing his account as they believed he was acting against the terms and conditions. They also lodged a fraud-related marker on his record at CIFAS.

Mr T complained and told Monzo that he'd been approached to sell electronics and make transfers on a third party's behalf. He'd had it confirmed this was all above board so was anxious this had turned out otherwise.

Monzo felt they had sufficient evidence to lodge a record with CIFAS and refused to remove this. Mr T brought his complaint to the ombudsman service.

Our investigator reviewed the evidence and believed this showed it was most likely Mr T had been complicit in the crime. She wasn't going to ask Monzo to do anything further.

Mr T disagreed with this outcome. He's asked an ombudsman to consider his 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 Mr T was involved.

I've seen the evidence provided by Monzo. This confirms that Monzo received at least three separate fraud reports from two banks whose customers felt they'd been defrauded in not receiving electronic goods they'd ordered. Eight separate payments were made into Mr T's account between 7 and 11 April 2023. I'm in no doubt this money didn't belong to Mr T.

Mr T told us he'd been approached online to sell electronics. He'd been asked to send the funds overseas – all to the same account – and got to keep some of the money he'd received. Despite having some misgivings, he'd been reassured this was all above board.

However there's no doubt Mr T was a willing participant in these arrangements and was also receiving payment. He's told us he mistakenly deleted all the messages between himself and the person who approached him. He'll forgive me if I find this all a bit too convenient.

I know Mr T disputes this but overall I'm satisfied that Monzo had sufficient clear evidence to lodge the CIFAS marker and close his account.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr T to accept or reject my decision before 21 February 2024.

Sandra Quinn
Ombudsman