

## **The complaint**

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

## **What happened**

In 2023 Mr L was told by Monzo that they were closing his account. They also lodged a fraud-related marker on his record with CIFAS.

Mr L subsequently discovered his main bank account was closed down. He discovered Monzo had lodged a CIFAS marker and complained to them.

Mr L asked Monzo to remove the marker and explained that his mobile had been stolen around the time of the issues with his account in June-July 2023. Monzo didn't feel they'd done anything wrong and refused to remove the marker.

Mr L brought his complaint to the ombudsman service.

Our investigator reviewed the evidence and wouldn't ask Monzo to remove the marker.

Mr L 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 L was involved.

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

I've seen the evidence provided by Monzo. This confirms they received a notification from one of their customers that they had sent money to Mr L's Monzo account but didn't get the goods – a festival ticket – they thought they were purchasing.

Mr L has told us his phone was lost in June to July 2023. He said he'd reported this to Monzo although there's no record of this. He's unable to explain the three payments made to

an individual in June after three credits of £200, £90 and £90. It's this recipient who was also immediately sent the £100 received into the account on 6 July 2023 just after its receipt.

I've considered all of this, including noting that it was another device which made the transaction out of the account. But there's no explanation for how an unknown third party would have been able to access Mr L's mobile and then access and use his Monzo account without his authorisation. So I'm not convinced by his testimony that he wasn't aware of what was going on.

I say this because I've reviewed the evidence Monzo has shared with us. This shows the messages received by the customer who didn't receive their festival ticket who was asked to credit Mr L's account with the £100. There's also no evidence Mr L reported his phone was missing to Monzo.

I note Monzo did contact Mr L to question his entitlement to the money but there's nothing to indicate Mr L responded in the short-term.

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 made into Mr L's Monzo account.

On this basis I don't believe it would be fair and reasonable to ask Monzo to remove the CIFAS marker.

### **My final decision**

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr L to accept or reject my decision before 12 November 2024.

Sandra Quinn  
**Ombudsman**