

The complaint

Mr S complains Monzo Bank Ltd unfairly closed his account and recorded a Cifas marker.

What happened

The details that led to Mr S bringing this complaint are not in dispute and were relayed by our investigator when they gave their view, so I won't repeat them here. Instead, I'll focus on giving my reasons for my 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 decided not to uphold Mr S' complaint. I appreciate he will be very disappointed by my decision given the impact he says the Cifas marker is having on him. So, I'll explain my findings:

- The messages Mr S had with the person posing as an insurance broker shows he concluded they were involved in a scam. This isn't surprising given Mr S discovered his car wasn't taxed following a payment he made, and because he was then asked to pay an additional £100. His messages show he directly told the person they were "scammin people" [sic] and he had concluded he had been lied to.
- Despite Mr S having compelling evidence that the person he was dealing with wasn't trustworthy, he proceeded to then accept payments from them and send money on. I understand in part this may have initially been to get his money back that he thought he had paid for car tax, but there was also a profit element, given he was able to retain some funds from the payments.
- Given Mr S previous concerns and interactions with the scammer, I find he either knew or at the very least ought reasonably to have known that the funds he was receiving, sending on and in part retaining may have been illegitimate. He believed the scammer had earlier taken advantage of him, so this should have caused him to question what the funds being paid to him represented.
- Mr S says he felt coerced and threatened because the scammer had his contact details. I've considered what he said carefully, but I don't find the nature of the conversation he had with the scammer shows he didn't willingly agree to follow the scammer's instructions.

Early on the scammer said they would report Mr S if he didn't send money on. But I don't read this as a threat to Mr S that he had to accept and receive money from the scammer. Instead, I read it as the scammer trying to get assurances from Mr S that if they sent money to him that he wouldn't keep it. I see Mr S provided assurances to the scammer so that the money would be sent to him, and after this time their dialogue wasn't threatening and doesn't indicate Mr S didn't want to be involved.

- Mr S has said he was sofa surfing at the time of dealing with the scammer and he wanted to find ways to save money. I appreciate this must have been a challenging time. But while this might have made receiving funds into his account and retaining some appealing, I don't find it shows he didn't or ought not to have realised something was wrong and very suspicious about the arrangement he agreed.
- I'm sorry to hear about the difficulties Mr S is facing, and having a Cifas marker can cause problems when trying to open accounts. But I have considered all the information and evidence, and I'm satisfied the evidential standards have been met for the Cifas marker to have been recorded and to remain. So, I do not require Monzo to remove the marker.
- Given the nature of Monzo's concerns about what had happened, and the wider information I have reviewed, I am satisfied they closed Mr S' account fairly and in line with their terms and conditions.

My final decision

My final decision is I do not uphold Mr S' complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 21 August 2025.

Liam King
Ombudsman