

The complaint

Ms O complains Monzo Bank Ltd has recorded her personal details with Cifas – a fraud prevention database - and won't remove them.

What happened

On 18 January 2025, Ms O received a payment of £998 into her Monzo account. On the same day, Monzo received notification from the sending bank that the payment was fraudulent.

Monzo asked Ms O what the money had been sent to her for. Ms O said it was from a friend for personal use to help with rent and school fees. She provided a screenshot of a message she said had been between her and the sender of the payment. Ms O later told Monzo someone had used her account to send the money without her permission, so she'd sent the payment back to him straight away.

Monzo decided to close Ms O's account and she discovered it had registered her details with Cifas. So she complained to Monzo. Monzo responded to say it hadn't made a mistake in registering the fraud marker.

Ms O referred her complaint to our service. An Investigator considered the circumstances. She said, in summary, she thought Monzo had registered the fraud marker fairly.

Ms O didn't agree with the Investigator's findings. She said she was new to the UK and English isn't her first language, so she was confused in her explanations to Monzo when they contacted her about the payment.

As Ms O didn't agree, the complaint's been passed to me to decide.

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.

The marker Monzo has registered in Ms O's case is a "misuse of facility". In order to record a marker for misuse of facility, Monzo must be able to show a number of requirements have been met, including:

- 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.

Here, Ms O's account received a payment which was later reported as fraudulent. Monzo contacted Ms O about the payment and it's provided the messages and emails it exchanged with her about this.

Ms O has told us the person who sent the money to her was a friend, P, who she'd known for eight years. She said during a phone call with P he'd told her he would be sending her some money to help with her rent and studies, as he'd done on previous occasions. Because she'd received money from P before she said she didn't have a reason to be suspicious. Ms O said when she received the money and it appeared to have come from someone else's account, she did become concerned and therefore immediately sent the money back to P.

Ms O can't provide evidence of her full discussion with P about the money he offered to send her because most of it was over the phone, and he had "disappearing messages" in the chat they were using. She has provided the same screenshot she provided to Monzo but has told us that this wasn't her chat with the sender of the money, it was P's chat with the sender. She says she's never spoken to the person whose account was used to send the money to her. Ms O also told Monzo in an email that someone had used her account details without her permission. And her explanation about what the money was for doesn't match with the information Monzo received about the fraudulent payment. Ms O's changing testimony means that the reliability of it weakens when trying to determine what her intentions were. And it's difficult to corroborate Ms O's testimony where she holds no evidence of the discussions she had with P

Ms O says she became concerned about the payment when she saw it appeared to have come from an account not in P's name. So she sent it back to him. But as the payment hadn't come from P's account, she didn't return it to where it came from, she sent it onwards to P. She's also told us P had previously sent her money, in November 2024. In November 2024 though, the payments Ms O says were from P also appear to have come from an account not in P's name. And on that occasion, Ms O also sent almost all the money to P. She says she later received gifts of £30 and £70 from P as a thank you for facilitating those payments. So although Ms O says she had received money from P previously and this is why she wasn't suspicious, it seems P had previously sent her money from someone else's account. And I would question why a close and personal friend would pay money for the use of Ms O's account when this wouldn't have cost her any money.

Ms O has explained she was new to the UK, English isn't her first language, and she didn't realise how serious the situation was when Monzo asked her about it. So I can understand why she found Monzo's questions about the payment difficult and worrying, but that doesn't mean Monzo aren't entitled to register the Cifas marker considering the other information available.

Overall, Ms O hasn't been able to provide sufficient evidence to support her explanations. In these circumstances, I'm satisfied this means Monzo was entitled to register the marker with Cifas. To be clear, I'm not making any finding on Ms O's involvement in the alleged fraudulent payment itself, just that Monzo has shown it's registered the fraud marker correctly.

Ms O has told us the Cifas marker is causing her distress and financial hardship. I'm sorry to hear that's the case but as I've found the marker was added correctly, I don't find Monzo need to remove it.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms O to accept or reject my decision before 21 October 2025.

Eleanor Rippengale
Ombudsman