

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 December 2024 Monzo received fraud reports from other banks about payments made into Mr T's Monzo account. These payments were for £550, £30 and £30. They queried these with Mr T asking him to show he was entitled to this money. Mr T confirmed he'd done a favour for a roommate and shared copies of messages with Monzo.

Monzo closed his account and lodged a fraud-related marker on the CIFAS database.

Mr T found his other bank account was closed and was worried about the impact on his education and ability to find work afterwards. He asked Monzo to remove the marker. Monzo confirmed they didn't feel they'd done anything wrong and refused to remove the marker.

Mr T brought his complaint to the ombudsman service.

Our investigator noted the evidence Mr T had shared with Monzo and our service. However, she felt she could see Mr T had benefitted from what had happened and appeared to have been willing to send money on his roommate's behalf despite this money not being received or sent to accounts in his name. She felt that Monzo had enough evidence to lodge a CIFAS marker.

After receiving the view, Mr T accepted that he had signed up after WhatsApp messages with someone – who wasn't his roommate – to accept money and pass it on whilst accepting 20%. He said he wasn't aware this was an offense and was in a difficult financial situation at the time. He asked an ombudsman to consider his complaint sympathetically.

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. This means that they must have more than a suspicion or a concern that Mr T may be 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 notifications from other banks that their customers had sent money to Mr T's account after believing they were paying advance fees to rent properties. Mr T's account statements show this money was sent elsewhere after receipt.

Mr T's initial account has now been changed as he admits he did act as a money mule and accepted a small amount of money for receiving and sending money.

I am aware of how difficult Mr T's circumstances must have been to have been persuaded into this fraud and I sympathise with him about what has happened. I also appreciate how difficult it must have been to come clean and admire his honesty.

However, in accordance with the rules about lodging a marker, I have no choice but to accept that Monzo acted properly.

I have considered whether there are special circumstances which should be taken into account. But unfortunately for Mr T I don't think so.

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 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 15 September 2025.

Sandra Quinn
Ombudsman