

## **The complaint**

Mr H complains that when Monzo Bank Ltd recorded a fraud marker against him incorrectly, it had a significant impact on him. He doesn't think it's done enough to put things right.

## **What happened**

A summary of what happened is below.

Mr H had an account closed by another bank (S), in February 2025 and unexpectedly. Following a data request to Cifas, he discovered Monzo had recorded a fraud marker against him in 2021.

He complained that he'd not done anything wrong. Monzo investigated and agreed it had made a mistake. It apologised, said it had arranged to remove the marker and offered £250 by way of compensation.

Mr H didn't think this reflected what had happened to him. He submitted the registration of the marker had serious consequences, which included the following:

- He couldn't secure credit or open new accounts.
- He had to defer his university course because he had difficulty getting student finance.
- He'd had a CCJ lodged against him, when he couldn't get bank statements on the account that had been closed by S, to show he'd paid his bill.
- His application to stay in the UK had been delayed.
- He was living in a house without a proper tenancy agreement, without proper rights and having to pay more.
- All of this meant he'd suffered significantly, personally, professionally and financially.

One of our investigators looked at what Mr H had said and provided but she didn't think there was sufficient evidence to demonstrate he hadn't been able to do the things he'd described, because of the marker. Weighing everything, she considered the bank's apology and offer to pay £250 was fair for the trouble and upset caused.

Mr H didn't agree, he said the compensation was purely an apology from Monzo and didn't account for the four years' worth of impact. He said he was still having applications for accounts declined. The investigator explained that several things can influence an account application, however, if Mr H had any evidence of the Cifas marker remaining on his records, he should let her know.

The case was put forward for a decision in line with our process.

## **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.

In line with our quick and informal service, I will address what I consider are the key issues to reach a fair resolution. This means I might not comment on everything, though I have read all of the submissions as part of my review.

Monzo has accepted it shouldn't have recorded the fraud marker it did, so the issue that remains is what level of compensation reasonably reflects the impact of the error. On this front, there's no question Mr H would have been concerned to have his account closed by S and to learn of the fraud marker, particularly considering Monzo's response acknowledging that it got things wrong. But having examined the details of his claim, there isn't anything compelling within the documentation he's provided, to demonstrate that the problems are directly attributable to the fraud marker, and to the exclusion of any other factors.

Mr H wasn't aware of the marker before 2025, so any distress was limited until Monzo apologised and said it would remove it. I note from one of the exchanges with our investigator that Mr H confirmed he had another active account and although he says he was reluctant to use it, he still had access to the facility. All things considered, I think the bank's offer is a fair reflection of the demonstrable impact and is compensation for that. I realise Mr H will be disappointed, but my decision completes our review of the complaint.

### **My final decision**

My final decision is that Monzo Bank Ltd has already made an offer of compensation, which is fair. To settle this complaint, it should pay Mr H £250 (unless it has already done so).

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 16 October 2025.

Sarita Taylor  
**Ombudsman**