

The complaint

Ms K complains Monzo Bank Ltd (Monzo) unfairly closed her account and loaded a Cifas marker on the National Fraud Database. She wants the marker removed.

What happened

Ms K opened an account with Monzo in September 2024.

In March 2025 Monzo reviewed her account, closed it, and loaded a CIFAs marker against her. Ms K has said that she was never involved in fraudulent activity and that she wasn't given a proper explanation, opportunity to respond, or chance to provide evidence in her defence.

She complained to Monzo who responded in its final response letter (FRL) dated 12 May 2025 explaining that following a second review of the Cifas marker it had decided to retain the marker and were unable to overturn the decision to close her account.

Ms K remained unhappy so referred her complaint to our service. One of our Investigator's looked into it, and they recommended it wasn't upheld. In summary, they said they were satisfied funds Ms K had received were deemed fraudulent and that Monzo had given her the opportunity to explain the activity on the account. And that having reviewed the evidence Ms K provided to Monzo they understood why Monzo didn't feel she had demonstrated her entitlement to the funds.

Ms K disagreed. She's said that the funds in question relate to legitimate cryptocurrency transactions she carried out and that the Cifas marker is unjustified. She's said she's been left in the dark without an explanation from Monzo and the effects of this marker have been devastating – restricting her access to banking services elsewhere and impacted her emotional and mental wellbeing. Ms K has also said Monzo's wellbeing team reached out to her to offer emotional support and that she finds this contradictory as it shows Monzo was aware of the impact their decision had on her but weren't willing to correct the issue.

She asked for a final decision by an ombudsman, so her complaint has now been passed to me for a final 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.

Having done so, I have decided not to uphold this complaint. I'll explain why.

Monzo needed to have sufficient evidence to meet the evidential requirements Cifas requires to record a misuse of facility marker. Cifas says that evidence needs to be clear, relevant, and rigorous. I've reviewed all the information Monzo provided and what Ms K has said. I'm satisfied the evidential threshold is met.

Monzo has provided details of its decision-making process which explains why they recorded a Cifas marker. I have decided to accept this information in confidence - which is a power afforded to me under DISP 3.5.9R(2) of the Dispute Resolution Rules. I find the information is commercially sensitive and should not be disclosed. A description of that information is that it relates to account activity and is of a nature which justifies Monzo's decision to load the Cifas marker.

Ms K received a number of payments into her account which Monzo asked her to provide evidence for to show she was entitled to each of them. I'm satisfied that regarding each of the payments in question, Monzo gave Ms K an opportunity to respond and provide evidence in her defence. Ms K submitted evidence to show what the payments were for, but I can't see she provided everything Monzo asked for. I can also see several references linked to the payments Ms K received which suggest the funds were sent for the purchasing of tickets, which doesn't support every payee was intending to purchase cryptocurrency.

Having reviewed all the evidence, including the information I have elected not to disclose, I'm satisfied that Monzo met the evidential standard required by Cifas to record the marker.

I understand Ms K is also unhappy that Monzo closed her account but a requirement of loading a Cifas marker is that the bank, or other financial institution, who loads the marker also closes the account. So, because I don't find Monzo have acted unfairly when loading the marker, it follows that I don't find it acted unfairly by closing Ms K's account. I know Ms K would like a further explanation for why the Cifas marker has been loaded considering the impact that Monzo's decision has had. But Monzo is under no obligation to do so.

Ms K says the existence of the marker is impacting her in a variety of ways. And I agree a Cifas marker can impact someone considerably. It is for this reason that Monzo's wellbeing team reached out to Ms K and I don't find it has acted inappropriately here – especially considering Ms K has explained the impact Monzo's decision has had on her emotional and mental wellbeing. I'm sorry to hear of how this matter has affected Ms K but for the above reasons I don't find Monzo acted unfairly when recording the marker or closing her account. So, I'm not requiring them to remove the marker, re-open the account or pay her compensation.

My final decision

For the reasons above, I have decided not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms K to accept or reject my decision before 9 October 2025.

Mark Louth
Ombudsman