

THE COMPLAINT

Mr B complains that Monzo Bank Ltd (“Monzo”) loaded a Cifas marker against him. Mr B would like this removed.

Mr B is represented by his mother in this matter. However, where appropriate, I will refer to Mr B solely in this decision for ease of reading.

WHAT HAPPENED

The circumstances of this complaint are well known to all parties concerned, so I will not repeat them again here in detail. However, I will provide an overview.

In August 2024, Mr B’s Monzo account received £165 (the “Funds”). He transferred £105 to a third party and £60 to another account in his name held with a different bank.

Monzo received an external fraud report indicating the Funds were linked to a purchase scam (via Snapchat for the sale of clothing and trainers which the buyer never received). Unsatisfied with Mr B’s explanation about the Funds, Monzo closed his account and loaded a Cifas marker (the “Marker”) against him.

Mr B disputed the above with Monzo. When Monzo refused to remove the Marker, Mr B raised a complaint, which he also referred to our Service.

One of our investigators considered the complaint and upheld it. The investigator directed Monzo to remove the Marker and pay Mr B £200 compensation. Mr B accepted this, but Monzo did not.

As Monzo did not accept the investigator’s findings, this matter has been passed to me to make a decision.

WHAT I HAVE 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 find that the investigator at first instance was right to reach the conclusion they did. This is for reasons I set out in this decision.

I would like to say at the outset that I have summarised this complaint in far less detail than the parties involved. I want to stress that no discourtesy is intended by this. If there is a submission I have not addressed, it is not because I have ignored the point. It is simply because my findings focus on what I consider to be the central issues in this complaint.

Further, under section 225 of the Financial Services and Markets Act 2000, I am required to resolve complaints quickly and with minimum formality.

Introduction

I should highlight that this has been a difficult case to determine, and my finding in Mr B's favour is a narrow one.

The investigator concluded that, "... I'm satisfied that [Mr B] was the unwitting beneficiary of fraudulent funds and as I've mentioned previously, a CIFAS marker shouldn't be registered against someone that was unwitting". Monzo submitted, "... we do not believe the available evidence supports the conclusion that Mr B was an entirely unwitting beneficiary".

Cifas guidance states, amongst other things, that members can only record information with Cifas if it is supported by evidence and meets the 'four pillars' of the standard of proof. Two key parts of the standard are:

- That there are reasonable grounds to believe that a Fraud or Financial Crime has been committed or attempted; [and]
- That the evidence must be clear, relevant and rigorous

With the Cifas guidance in mind, if I am satisfied that Mr B was an unwitting beneficiary of the Funds, I will have to direct Monzo to remove the Marker. Conversely, if I am satisfied he was a witting beneficiary, I will not do so.

Monzo's position

Monzo argue that Mr B was a witting beneficiary – or "*witting money mule*" – of the Funds for the reasons set out below. In summary:

- No evidence of Mr B opening his Monzo account under duress.
- Mr B's Monzo account was opened only seven days before the Funds credited the account.
- The amount Mr B kept of the Funds (£60) "*... does not align with the behaviour of an entirely unwitting beneficiary*".
- The timing and selective nature of Mr B's disclosure.
- Mr B engaged directly in Snapchat communication and executed the transactions concerned.

Although the points above may, at first glance, suggest that Mr B was a witting beneficiary of the Funds, I must assess them in light of Mr B's position. His mother submits, amongst other things:

"Some people who we are not aware of took advantage of him and pressured him to use his bank account for them to transfer their money for them to withdraw or for him to transfer into their account. He was not aware of the consequences of such actions. He is 17 years old, but his mental capacity is that of a younger child of 12 or 13 or even younger than that."

Given the submission above, one would expect to see the features Monzo relies on. But these features do not, in themselves, establish that Mr B understood or was aware of the full facts of what he was being told to do. I am mindful that Monzo's points are circumstantial, and, to my mind, none directly demonstrate that he was a witting beneficiary of the Funds – particularly when weighed against the Cifas guidance (see above).

Mr B's position

I am satisfied that the evidence in Mr B's favour is persuasive enough to support the conclusion that Mr B was, on the balance of probabilities, an unwitting beneficiary of the Funds.

First, the submissions made on Mr B's behalf to Monzo and to our Service have been candid, consistent and plausible.

Secondly, Mr B's mother submits that he has autism and learning difficulties, which she says contributed to him being taken advantage of. Monzo submits that, based on the evidence available to it, Mr B was awaiting an autism assessment, and no formal diagnosis had been made. However, I have seen an NHS letter dated 9 May 2025, confirming a diagnosis of autism spectrum disorder. I have also seen correspondence indicating that Mr B is, or was, on the Special Educational Needs and Disabilities register at his school.

Thirdly, I am mindful of the fact that Mr B was 17 years old at the time and therefore a youth. It is generally accepted that children and young people have not yet attained full maturity, and this can influence their decision making and risk taking behaviour. As such, they may be more susceptible to becoming unwitting parties in circumstances such as those present here – particularly in cases involving children and young people with autism and learning difficulties.

Conclusion

Taking all the above point together, and reminding myself of the Cifas guidance, I am not satisfied that the evidence in this case is clear and rigorous enough to demonstrate reasonable grounds to believe that Mr B was a witting beneficiary of the Funds. Accordingly, I take the view that Monzo should not have applied the Marker.

Mr B's mother says the Marker has caused him anxiety and led to the closure of his Monzo account and another of his bank accounts. In these circumstances, I consider the £200 compensation recommended by the investigator for distress and inconvenience to be fair and reasonable.

Finally, I note Mr B's mother says he no longer has contact with those who took advantage of him. Although it is not my place to advise, I would observe that he should remain mindful of the company he keeps going forward.

MY FINAL DECISION

For the reasons set out above, my final decision is that I uphold this complaint. Therefore, I direct Monzo Bank Ltd to:

- Remove the Cifas marker(s) loaded against Mr B; and
- Pay Mr B £200 compensation.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr B to accept or reject my decision before 22 March 2026.

Tony Massiah
Ombudsman