

The complaint

Mrs A has complained Monzo Bank Ltd lodged a fraud-related marker on the industry fraud database, CIFAS, in her name.

What happened

Mrs A opened an account with Monzo in April 2023. In May that year Monzo received a fraud report from another bank about a payment made into Mrs A's Monzo account. This payment was for £200. Monzo believed they had sufficient evidence to lodge a CIFAS marker and closed Mrs A's account. Mrs A subsequently asked Monzo to confirm why they'd closed her account, but they wouldn't provide her with any detail apart from saying they'd met their regulatory requirements.

After failing to open an account with another bank, Mrs A discovered Monzo had lodged a CIFAS marker in her name so contacted them in 2025 to remove the marker. Monzo confirmed they wouldn't do so.

Mrs A brought her complaint to the ombudsman.

Our investigator noted the evidence Mrs A had shared with our service which showed messages between herself and her nephew. She felt Monzo had enough evidence to lodge a CIFAS marker.

Still unhappy, Mrs A has asked an ombudsman to consider her complaint.

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."

Monzo must be able to provide clear evidence that an identified fraud was being committed, and Mrs A was involved. This means that they must have more than a suspicion or a concern that Mrs A 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 a notification from another bank that a payment had been made from their customer's account following an

investment scam. A payment of £200 credited Mrs A's account on 15 May 2023. They could also see that £160 of this money was immediately sent to another account in Mrs A's name.

Mrs A initially told our service that her nephew must have used her account without her consent. She then changed this testimony to say she'd helped him out when he was receiving some money and then sent the funds onwards on his instruction. It's certainly the case that her messages between her nephew and herself back this up. He obviously had difficulty recalling what this transaction was and has confirmed he's not able to get in touch with the initial originator of the payment.

However, I am aware based on the evidence I've seen that the originator of these funds has claimed they were the victim of a fraudulent investment scam. This confirms that neither Mrs A, nor her nephew, were entitled to these funds.

What I need to decide is whether Mrs A was aware that these funds were fraudulent. And overall, I believe that she was. I say this because it's clear that £40 of the original £200 was retained by Mrs A within her Monzo account. This therefore looks like her cut from this transaction. Whereas if she was just helping out a nephew for a one-off payment, I can't see why she'd be receiving £40.

I also note that Mrs A's account had barely been open a fortnight, whereas her other account had been open longer so wonder why she'd not used the other account to help out her nephew.

I note Monzo didn't, as required, question Mrs A in May 2023 about her entitlement to the money. I don't think this would have made any difference as I believe her story would have been the same and Monzo would, as likely, have taken the same action.

Having reviewed Monzo's evidence of Mrs A's account use, I'm satisfied Monzo had enough to lodge the CIFAS marker.

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 Mrs A's complaint against Monzo Bank Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs A to accept or reject my decision before 26 December 2025.

Sandra Quinn
Ombudsman