

The complaint

Mr S complains Monzo Bank Ltd has recorded his personal details with Cifas – a fraud prevention database – and won't remove them.

What happened

On 25 February 2024, Mr S received a payment of £80 into his account. Monzo later received notification that this payment was fraudulent.

Monzo asked Mr S about the payment. Mr S said the payment had been a birthday present from a friend.

Monzo decided to close Mr S' account and he discovered it had registered his details with Cifas. So, he complained to Monzo. Monzo responded to say it hadn't made a mistake in registering the fraud marker.

Mr S referred his complaint to our service. An Investigator considered the circumstances. He said, in summary, he thought Monzo had registered the fraud marker fairly.

Mr S didn't agree with the Investigator's findings. He reiterated the evidence he'd provided to show he was friends with the sender of the payment and sent further evidence of him sending money to the same friend, several months after the disputed payment.

As Mr S didn't agree, the complaint's been passed to me to decide.

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.

The marker Monzo has registered in Mr S' case is a "misuse of facility". In order to record a marker for misuse of facility, Monzo must be able to show a number of requirements have been met, including:

- 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.

Here, Mr S' account received a payment which was later reported as fraudulent. Monzo contacted Mr S and it's provided the messages it exchanged with him about the payment. Mr S has told us, and Monzo, the person who sent him the money was a friend. And the payment itself was a birthday present. Mr S has provided evidence to show that he is friends with the sender of the money, this evidence includes a short video of two people and screenshots of his friend's social media. He's also provided a screenshot showing his friend messaging him on his birthday in 2022. Mr S says the discussion about the birthday present happened in person, so he has no documentary evidence of this. And he can't provide any

further evidence, such as further messages between the two of them, because his old phone is broken.

In principle, I can understand why Mr S might not have documentary evidence relating to the payment if it was a birthday gift. And I accept that the sender of the money is someone known to him. But Mr S' explanations don't tie in with the details of the fraud report Monzo received. I'm aware Mr S doesn't have the full details of the fraud report – that's because the information's been provided in confidence – which our rules allow. But there's no mention of the payment being a birthday gift in the fraud report. And Mr S says he can't provide historical message contact between him and the friend because his old phone is broken but has been able to provide messages from 2022.

Overall, Mr S' explanations don't align with the evidence Monzo received in relation to the disputed payment and Mr S can't provide anything to substantiate his entitlement to the funds. In these circumstances, I'm satisfied this means Monzo was entitled to register the marker with Cifas.

Mr S has told us the Cifas marker is causing him distress and financial hardship. I'm sorry to hear that's the case but as I've found the marker was added correctly, I don't find Monzo need to remove it.

My final decision

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr S to accept or reject my decision before 13 March 2026.

Eleanor Rippengale
Ombudsman