

The complaint

Mr O complains Monzo Bank Ltd (Monzo) unfairly closed his account and loaded a Cifas marker on the National Fraud Database. He wants the marker removed and his account reopened.

What happened

Mr O held a current account with Monzo who, after Mr O received two payments in March 2025, contacted him to ask some questions regarding these payments. Mr O then provided Monzo with an explanation regarding the source of these payments and what they were for. Monzo reviewed Mr O's account and what he had said regarding the payments and ultimately decided to close the account and load a Cifas marker against him.

Mr O complained to Monzo who responded in its final response letter (FRL) dated 28 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 his account.

Mr O remained unhappy so referred his complaint to our service. Having done so, Mr O provided our service with an explanation regarding the two payments Monzo had questioned him about. Later, Mr O provided a different explanation for the source of these payments and what they were for. As a part of this, Mr O said that he had previously provided Monzo, and our service, with a false explanation and fabricated supporting documents.

One of our Investigator's looked into Mr O's complaint, and they recommended it wasn't upheld. In summary, they said they were satisfied funds Mr O had received were deemed fraudulent and that having reviewed the evidence and multiple explanations Mr O provided to Monzo, and to our service, Monzo was able to close the account in the way it did and that it had fairly loaded the Cifas marker against him.

Mr O disagreed. He's raised several further points including that he acknowledges he provided a false explanation and fabricated supporting evidence surrounding the payments to both Monzo and, initially, to us. But that the explanation he was now providing was the truth and that he had felt pressured into providing this earlier explanation as he had panicked. Mr O has said that whilst he may have been naive, he was not acting with fraudulent intent and that the effects of the Cifas marker will be far reaching and have severe consequences.

I'm aware I have summarised Mr O's comments in far less detail than Mr O's submissions to our service. I'd like to reassure Mr O that I've considered the whole file and what's he's said. If I don't mention any specific point, it's not because I failed to take it on board and think about it, but because I don't think I need to comment on it to reach what I think is a fair and reasonable outcome. I want to stress that no discourtesy is intended by me in taking this approach. I do stress however that I've considered everything that Mr O and Monzo have said before reaching my decision.

Mr O asked for a final decision, so his complaint has now been passed to me for a 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 Mr O told it at the time. Having done so, I'm satisfied the evidential threshold was met.

Mr O has said that he provided Monzo with a false explanation and fabricated supporting evidence when he was asked about the payments. So, I've then gone on to consider, given the later explanations Mr O has given for the source of these payments and what they were for, whether Monzo should now remove the Cifas marker.

There is additional information that I have accepted in confidence from Monzo. This is a power afforded to me under DISP 3.5.9R(2) of the Dispute Resolution Rules. I'm sorry but I can't share this information with Mr O due to its commercial sensitivity. A description of this information is that it relates to transactional activity on his account and information that Monzo hold about that. I understand that Mr O has given a new explanation of what happened, but I'm not satisfied that the evidence he has provided supports his new version of events when weighing that against what I've accepted in confidence from Monzo.

On balance when considering Monzo's wider regulatory responsibilities and all the information available to me, including the information I have elected not to disclose, I'm satisfied the Cifas marker should remain and that the evidential threshold required for it to do so is met.

I understand Mr O is also unhappy that Monzo closed his 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 Mr O's account.

Mr O says the existence of the marker is impacting him, and will continue to do so, in a variety of ways. And I agree a Cifas marker can impact someone considerably. I'm sorry to hear of how this matter has affected Mr O but for the above reasons I don't find Monzo acted unfairly when recording the marker or closing his account. I also find for the above reasons that the marker should remain. So, I'm not requiring them to remove the marker, re-open the account or pay him 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 Mr O to accept or reject my decision before 10 April 2026.

Mark Louth
Ombudsman