

The complaint

Mr K complains Monzo Bank Ltd unfairly recorded a Cifas marker against him. He wants the marker removed, a letter acknowledging they should have handled matters better, compensation, and help restoring his account or opening a basic account.

What happened

Mr K held a Monzo current account which was opened in November 2024. In January 2025 Monzo carried out a review prompted by a payment from a third-party Mr K says he doesn't know personally.

Monzo emailed and messaged Mr K via their in-app chat and asked what the payment was for and any proof he had. Screen shots were submitted, which Mr K says shows a third party asking the payer to send the payment to Mr K's account.

Monzo closed Mr K's account and recorded a Cifas marker against him.

Mr K contacted Monzo after discovering the Cifas marker in May 2025. He raised a complaint which Monzo didn't uphold. He brought his complaint to our service.

Our investigator contacted Mr K using the email address provided in his complaint form. They asked him for further evidence and information about the payment. They received a response which said:

- Mr K loaned a then housemate money the previous year and the payment he received represented its repayment.
- Mr K understood the payment represented a payment for driving lessons his housemate was providing to a client that his housemate directed to be paid to him.
- A screenshot was provided showing part of a conversation he had with his housemate when the payment was sent.
- Mr K used the money to pay another housemate for household expenses – he made a payment of £400.

Further information was later provided, including a bank statement purporting to show Mr K lending his housemate money in 2024, and a statement belonging to his other housemate purporting to show the £400 payment Mr K made was for household expenses.

Our investigator didn't uphold the complaint. They found:

- Monzo received a report that the payment made to Mr K's account was fraudulent.
- To record a Cifas marker, Monzo needed to meet Cifa's standard of proof. They had given Mr K the opportunity to explain the payment, and there was sufficient information to show he wasn't entitled to the payment.

- Mr K had been unable to show his then housemate received the funds legitimately as part of their business.
- There was enough information and evidence for Monzo to record the Cifas marker.

Mr K asked for a final decision by an ombudsman, so his complaint has been given to me to decide. He submitted a statutory declaration. In summary he said:

- He let his housemate use his account for their business. He did not participate in the business, contact customers, or receive any financial benefit.
- The payment was unexpected and he did not know the payer or why the payment was made. He only later saw the messages sent to the payer and they were created by a colleague of his previous housemate.
- His former housemate and their colleagues accessed his email and sent responses to Monzo, Cifas and our service without his informed consent. Their submissions contained false explanations that he did not write or understand.

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.

I've decided not to uphold Mr K's complaint. I'll explain why.

To record a Cifas marker, Monzo had to have reasonable grounds to believe Mr K had committed a fraud or financial crime. So, Monzo couldn't apply a Cifas marker based only on suspicion without supporting information and evidence of sufficient strength.

But there is a difference between what is needed for a firm to record a Cifas marker and the standard of proof required to convict someone of fraud or another financial crime. The information and evidence do not need to prove Mr K was guilty of fraud beyond a reasonable doubt.

I'm persuaded Monzo had sufficient information and evidence to record the marker.

Mr K now says the payment he received was unexpected. He has gone on to say that his former housemate and their colleagues accessed his email and provided responses to Monzo, Cifas and our service without his informed consent – and that as a result false explanations have been provided.

This represents a marked change in what was submitted as his previous testimony, where he said or at least persons purporting to be him said he was aware of the payment; it represented repayment of a loan; and he used the funds from the payment to pay another housemate for household expenses.

I'm sorry to disappoint Mr K but I'm not persuaded by his testimony. He must surely have been aware of making a complaint and bringing it to our service. And, I would have expected him to be aware of what was being communicated to our service and to Monzo after he discovered the Cifas marker, given his email was being used – the same email he submitted his recent declaration through. As a result, I would have expected him to have told us what he has now said much earlier. I have seen no evidence that shows he wouldn't have understood what was being said to Monzo or our service previously.

I haven't seen persuasive evidence to show how someone other than Mr K authorised payments on the Monzo account – including the payment made for what he says were household expenses. Monzo's records show only one device associated on the account, and the number associated with that device is the same as the number Mr K has given when bringing the complaint to our service. The screen shots provided to Monzo detailing a

conversation with the payer were provided via an in-app chat via the device registered to the account and not by email, which points to Mr K responding to them.

There is a lack of persuasive evidence to support the previous narrative given to our service - that Mr K received the payment due to money owed to him by his housemate. While screen shots of a conversation with the alleged housemate were provided, they do not show the payment was made as a result of Mr K chasing the repayment of money owed.

Neither have communication records been provided that support Mr K allowing his former housemate to use the account for their business purposes. Moreover, I would have reasonably expected Mr K to have understood this was a questionable arrangement, and at the very least he ought to have questioned why his housemate needed to use his account rather than an account in their name. No persuasive explanation has been provided as to why Mr K would allow someone else to use his account in this manner.

The bank statement provided to show £400 being paid to the housemate as a loan isn't persuasive. The payment was made almost a year before the alleged repayment of the loan, and the housemate made a payment of over £200 into the account that same day.

I'm also not satisfied the statement showing the £400 payment being credited to his other housemate's account in 2025 is persuasive. The statement shows a money remittance of nearly £400 debiting the account a few days later, which casts doubt on the payment being made to pay for household expenses.

Based on the information I've seen, I'm satisfied the evidential threshold for Monzo to record the marker is met. I recognise the impact a Cifas marker is no doubt having on Mr K, and this is a very worrying time for him, but I don't require Monzo to remove the marker or take further action.

My final decision

My final decision is I am not upholding Mr K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr K to accept or reject my decision before 8 April 2026.

Liam King
Ombudsman