

The complaint

Miss A has complained that Monzo Bank Ltd hasn't done enough to help her after she was a victim of fraud. She's also unhappy about reports it's made to credit reference agencies ('CRAs').

This complaint is not about the original decision to decline the fraud claim. So, this decision does not consider that, or make any finding on it.

What happened

Miss A has explained that she was the victim of a scam, but Monzo didn't accept her claim. As she'd paid out money as part of the scam, she didn't then have money available to make repayments to her Flex account with Monzo. And, as she didn't make the repayments on time, Monzo reported this to the CRAs.

One of our investigators looked into what had happened. He explained that lenders, such as Monzo, have to make factual reports to CRAs. And here, it recorded late payment, because that reflected the account's status. So, he didn't think Monzo had behaved unfairly.

He also thought about what support Monzo had offered. He was satisfied that Monzo had tried to set up a suitable repayment plan, as it had requested a budget assessment be completed, and asked further questions to better understand Miss A's financial position. But, as Miss A hasn't provided the information, he doesn't think Monzo has behaved unfairly by not having put a plan in place at this stage.

Miss A disagreed. In summary, she feels that as her financial position has been caused by circumstances outside her control, she should be treated with forbearance and her credit file should not be affected in the way it has been. She doesn't feel she's been treated fairly, or that her vulnerability has been taken into account.

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'm not upholding it. I know this will be upsetting for Miss A, but I'll explain why.

The reason financial businesses are required to report to CRAs, is so that other potential lenders will be able to have an accurate picture of a person's ability to repay. This is partly to protect the lender, which will want to be repaid. But it also plays a very important role in protecting the consumer. This is because, without understanding a person's financial situation, a lender may lend irresponsibly. This may mean a person can't make repayments, and becomes further indebted, causing potentially severe financial difficulty.

The recording of late payments on Miss A's credit file is not intended to reflect her *willingness* to make repayments, nor in any way blame her for the situation. Rather, it's there

to provide factual information regarding repayment *ability* on a monthly snapshot basis.

Monzo is obliged to make accurate reports to the CRAs, and I'm satisfied it behaved appropriately by doing so here.

I agree that financial businesses should show forbearance when a person is experiencing financial difficulty, and should takes steps to assist where someone is vulnerable. Indeed, they are required to do so. Here, I can see that's what Monzo has tried to do, so I think it's behaved fairly. For it to put in place an affordable, sustainable plan for Miss A, it needs a proper understanding of her situation. So far, she hasn't provided this. Although I know it can feel uncomfortable to talk about financial matters, and can be upsetting, I would urge her to work with Monzo to find a way forward that will work for her.

My final decision

For the reasons given above, it's my final decision not to uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 19 May 2026.

Elsbeth Wood
Ombudsman