

The complaint

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

What happened

Miss A opened an account with Monzo in December 2021. In July 2024 Monzo received a fraud report from another bank about a payment of £600 made into Miss A's Monzo account. They queried this with Miss A. She confirmed this was a gift from a friend. To support this, Miss A provided a message to suggest she was in touch with this individual. Monzo was unconvinced and believed they had sufficient evidence to lodge a CIFAS marker and closed Miss A's account.

Miss A discovered Monzo had lodged a CIFAS marker in her name after she could see her other accounts were being closed. She complained to them, but they wouldn't remove the marker.

Miss A brought her complaint to the ombudsman.

Our investigator noted the differing testimonies Miss A had shared with our service. Overall, our investigator felt Monzo had enough evidence to lodge a CIFAS marker.

Still unhappy, Miss A has asked an ombudsman to consider her complaint. She believed this action by Monzo was disproportionate and was having an impact on her wellbeing.

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 Miss A was involved. This means that they must have more than a suspicion or a concern that Miss 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 a bank about a payment that had been sent to Miss A's account in July 2024. This bank's

customer showed she'd been the victim of fraud. After receipt of these funds, Miss A transferred these to another account in her name.

Miss A told Monzo back in July 2024 that this money was a gift from a friend. She also gave them a copy of a message to show that this was the case. Miss A told our service that someone else had misused her account. Then finally she said this was money owed by an ex-partner. She said she'd not been upfront as this individual was emotionally abusive.

Unfortunately, I don't believe Miss A's testimony can be considered reliable. She appears to have manufactured a message which she provided to Monzo to show that it was a friend giving her a (rather expensive) gift. Now she's telling our service something completely different – twice.

On the other hand, I can see from Monzo's evidence that this money paid into Miss A's account was the result of fraud. She appears very much to have known this was happening based on her intention to use three different stories to best suit her purpose. And the fact the money was moved elsewhere pretty quickly. I note from her bank statement that there'd recently been quite a few payments made into her account by third parties.

I'm satisfied Miss A knew enough about what was going on and was willing to be involved to gain funds.

Having reviewed Monzo's evidence, 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 Miss A's complaint against Monzo Bank Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss A to accept or reject my decision before 5 February 2026.

Sandra Quinn
Ombudsman