

The complaint

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

What happened

On 16 and 17 December 2023, Mr Z's account received two payments of £280. Monzo later received notification these payments were made fraudulently.

Monzo asked Mr Z about these payments. After reviewing what Mr Z had told them and the information it had already received, it decided to close Mr Z'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 Z referred his complaint to our service. An Investigator considered the circumstances. She said, in summary, she thought Monzo had registered the marker fairly in the circumstances.

Mr Z didn't accept the Investigator's findings. He said he was young and vulnerable at the time of the events that led to the Cifas marker being applied.

As Mr Z 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.

I think it's important to explain I've considered all of the information provided by both parties in reaching my decision. If I've not reflected or answered something that's been said it's not because I didn't see it, it's because I didn't deem it relevant to the crux of the complaint. This isn't intended as a discourtesy to either party, but merely to reflect my informal role in deciding what a fair and reasonable outcome is.

The marker Monzo has registered in Mr Z's case is a "misuse of facility". In order to record a marker for misuse of facility, Starling 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 Z's account received a payment that was later identified as fraudulent. Monzo contacted Mr Z about the payments, and it's provided the messages it exchanged with him about this.

On 26 December 2023, Mr Z told Monzo the payments were a gift from a friend. Monzo asked Mr Z to provide documentation to evidence his entitlement to the funds. Mr Z provided some screenshots, but Monzo didn't consider this was sufficient.

In February 2025 Mr Z told Monzo there had been unauthorised access of his account and that he was the victim of fraud. And Mr Z also said his mobile phone had been stolen. Then in June 2025, Mr Z told Monzo he'd been approached by someone he knew from school who he agreed to help, by allowing use of his account.

Mr Z has given several differing versions of events about the reason for the disputed payments being made to his account. Our Investigator asked Mr Z about this and he said this was because he'd been pressured and was distressed. Mr Z said he was young, vulnerable and new to managing his finances independently at the time.

While that might be the case, Mr Z couldn't provide anything to substantiate the conversations he said he'd had with the individual from school about this. He said all the communication was done online via applications that don't retain messages and by phone.

Mr Z has been inconsistent and can't provide evidence of his conversations with the individual to support the explanation he's now given. And what he has said doesn't align with the information Monzo received in relation to the transaction. In these circumstances, I'm satisfied this means Monzo was entitled to register the marker with Cifas.

Mr Z has suggested that there had been unauthorised access to this account. But has also said he allowed the individual from school to use the debit card on the account.

Monzo's evidence shows that the registered device on the account was the same one that had been on the account since 2021. Mr Z has said the Internet Protocol ("IP") address noted on the Cifas entry is not one associated with him. But IP addresses can vary because of a number of factors, including location. So, I don't think this makes an overall difference to the outcome of Mr Z's complaint – particularly since most of the disputed funds were removed from Mr Z's account via an Automated Teller Machine ("ATM"), which would have required the use of Mr Z's card and PIN.

Given Mr Z has now admitted to allowing someone else to use his account to receive the money, I can't see why the third party would then have needed to access Mr Z's account to withdraw the money without Mr Z's knowledge – since he'd already agreed to facilitate the payments for him. So, I find it's more likely than not that Mr Z either made or otherwise authorised the transactions withdrawing the funds from his account.

Turning to the closure of the account, the terms and conditions set out when Monzo can close the account. And I'm satisfied, in the circumstances, Monzo was entitled to do that here.

Overall, I find it's more likely than not that Mr Z knew the payments he was being asked to receive were, or might be, fraudulent. So, in these circumstances, I find Monzo has acted fairly in loading the Cifas marker.

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 Z to accept or reject my decision before 3 April 2026.

Eleanor Rippengale
Ombudsman