

The complaint

Mr F has complained that Monzo Bank Ltd registered a marker against him at CIFAS, the national fraud database.

What happened

Mr F received some credits into his account, which he quickly spent. Monzo were informed that the money Mr F received and spent came from fraud.

Monzo questioned Mr F, who claimed he was entitled to the money for goods he'd sold. He offered to provide a screenshot of his contact with the buyers, but then he stopped replying to Monzo. Monzo chased him for this evidence and left a voicemail, but didn't hear back. So they closed Mr F's account and registered a marker against him at CIFAS.

Mr F later complained. He said someone he knew was selling the goods and asked him to receive the money as they didn't have their own account. He said he withdrew the money in cash and handed it to them, then they ignored him when his account was blocked. He said Monzo never gave him a chance to evidence his side of things. He also said he didn't have any evidence anymore, as all the messages had been deleted.

Our investigator looked into things independently and didn't uphold the complaint. Mr F appealed, so 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.

In order to register this marker, Monzo were not required to prove beyond all reasonable doubt that Mr F had done something wrong. They did need to have reasonable grounds to believe that he'd misused his account, which went beyond a suspicion or concern, and which had appropriate supporting evidence. Having carefully considered everything that both sides have said and provided, I think Monzo did have sufficient grounds to register this marker. I'll explain why.

Monzo were officially notified that the money Mr F received came from fraud.

Mr F then told Monzo that he deliberately received that money. He tried to claim entitlement to the funds, claiming it was for goods he'd sold himself.

Mr F later told the story about his friend. He said he withdrew the money in cash and gave it over. But Mr F didn't withdraw it, he actually quickly spent the money he received, such as in shops, on a bank transfer to a long-standing payee with the same last name as him, and on car insurance. As far as I can see, Mr F was the main person who benefitted from the fraud.

Mr F now says he paid the money in cash to his friend, using cash he already had on hand. But this directly contradicts his previous testimonies – before, he said he took out the credits in cash to hand over, and before that he said the money was his for goods he'd sold and didn't mention this friend. So I can't take this latest testimony as being reliable. And there's no evidence of him handing such cash to anyone.

Indeed, Mr F's latest version of events is not supported by any evidence. So I have nothing to show that this friend even exists, let alone that Mr F agreed to receive money for them or that he passed any money onto them. And again, at first Mr F did not mention any friend and instead claimed the money as being his own.

While Mr F claims Monzo didn't give him a chance to evidence his side of things, I can see that the opposite is true. Monzo asked Mr F for evidence, and Mr F told them he could provide screenshots of messages with the people who sent him money. But then he never provided this and ignored Monzo's chasers. It's unlikely that Mr F would let this evidence get deleted or decline to provide it if it would've evidenced that he was innocent.

In summary, Mr F received and spent fraudulent funds, which he initially tried to claim he was entitled to. His testimony has been inconsistent, unreliable, and at points clearly untrue. There is no evidence which supports his side of things, even when he previously said he could provide such evidence. There's no evidence which shows or substantiates that Mr F was uninvolved with the fraud, and there's no evidence which shows or substantiates that Mr F was an unwitting participant in the fraud. As far as I can see, Mr F was the main beneficiary of the fraud and was actively involved in receiving and spending the proceeds.

On that basis, it seems fair that Monzo registered the appropriate marker with CIFAS. It follows that it was also fair for them to block and close Mr F's account, which they were allowed to do under the terms. This is a difficult message for me to give, and I know it's a difficult message for Mr F to receive. But given the evidence I have, and the balance of probabilities, I'm unable to reasonably reach any other conclusion.

My final decision

For the reasons I've explained, I don't uphold Mr F's complaint.

This final decision marks the end of our service's consideration of the case.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr F to accept or reject my decision before 3 January 2024.

Adam Charles
Ombudsman