

The complaint

Mr N complains that Revolut Ltd have given him different reasons for them requesting his identification again, despite this being provided at account opening.

What happened

Mr N opened his Revolut account in 2018. He says that as part of onboarding he provided a copy of his passport, and he had no further issues until 2020, when he was asked to resubmit his identification. Mr N says that he has been told a number of different reasons for Revolut needing his identification again, such as Brexit requirements and the expiration of his identification – although he says his passport is valid for another two years plus. Mr N says that he has noticed that Revolut have changed the way they process onboarding and he suspects they didn't migrate the data. Mr N made a complaint to Revolut.

Revolut did not uphold Mr N's complaint. They said they have the responsibility to make sure that all Revolut accounts function according to the rules imposed on them by their regulators. Due to the sensitive nature of their work, which involves moving large amounts of funds, such reviews of identification is legally imposed on them as per the regulations they are subject to. They quoted their terms and conditions, which they say allow them to do this. Mr N brought his complaint to our service.

Our investigator did not uphold Mr N's complaint. He said Revolut must abide by the banking regulations that govern how they operate. He said that from time to time additional checks need to be carried out on existing customers, even if checks were completed at an earlier stage. So he didn't feel Revolut have done anything wrong here. Our investigator said that the request was made in the aftermath of Brexit. Due to this, the regulatory environment changed, and Revolut needed to act accordingly. Having reviewed the terms and conditions of Mr N's account, our investigator didn't find anything to suggest Revolut breached the agreement by asking Mr N to provide additional documentation.

Mr N asked for an ombudsman to review his complaint. He made a number of points. In summary he said that Revolut asked for his identification again after 18 months of his account being opened, and their justification for the request constantly changed. Mr N believes Revolut may have lost his identification. He believes they are violating their terms and conditions in blocking his account as he provided the information they asked for and he has only refused to provide his identification for a second time without an explanation why they need this again.

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.

Firstly, I'm aware that I've only summarised Mr N's complaint points. And I'm not going to respond to every single point made by him. No discourtesy is intended by this. Our rules allow me to take this approach. It simply reflects the informal nature of our service as a free alternative to the courts. If there's something I haven't mentioned, it isn't because I've

ignored it. I haven't. I'm satisfied I don't need to comment on every individual point to be able to reach what I think is a fair outcome.

I'd like to explain to Mr N that it is not within this service's remit to tell a business what their security procedures should be or how they satisfy themselves that they are meeting their legal and regulatory duties. It would be the role of the regulator – the Financial Conduct Authority, who have the power to instruct Revolut to make changes to their policies and procedures, if necessary. Revolut are not obliged to share their security procedures with our service as this is commercially sensitive. And they are also not obliged to share these with their own front line staff or Mr N.

I asked Revolut if they could provide me with Mr N's original identification so I could see if it was expiring as they had previously suggested. They explained to me that as their Know Your Customer (KYC) process was completed in 2018 – five and a half years ago, they do not have evidence of what was specifically submitted to them by Mr N. They have said there is an indication that a passport – or other identification – may have been submitted to them at that time, but they do not hold a copy of this anymore which they said this could be related to internal system changes completed since then.

Revolut provided me with an internal message which suggested Mr N was told he needed to provide identification again because the identification was expiring, but they confirmed that because they do not see the original documents anymore, they can't say what would have been the specific reason for the identification request, however, they confirmed it is common for them to “re-KYC” their customers every couple of years even if the documents are not expired due to various routine process changes, and each time, they also “request a live selfie”.

I know Mr N has concerns that Revolut have lost his identification, but I'm not persuaded that because they aren't able to provide a copy of this that it has been lost. I say this as it's been noted that they have made internal system changes, so it could be something as simple as Revolut not migrating all of the data on one system to another system. There could be commercial/regulatory or legal reasons for not transferring all of the data to another system. Revolut's privacy policy confirms “*Personal data is stored on secure computer systems with access management controls in place to limit physical, system and information access to only authorised employees*”. So I can't conclude the most likely scenario is that Revolut has lost Mr N's identification. But if Mr N has concerns about how his data has been handled then he may wish to contact the Information Commissioner's Office (ICO).

Although Mr N was given different reasons for needing to provide identification, the email that Revolut sent him dated 23 February 2023 informs him that “*This could be due to a number of reasons, including document expiration or changes in regulations, which mean we can't support your original verified details or ID document anymore*”. So this is why Revolut staff may have assumed the reason why Mr N was asked for his identification again as they may not be privy to the exact reason why it was requested, and Revolut are not obliged to share their security procedures with the people Mr N spoke to or himself, otherwise this could lead to their security procedures being compromised.

In order to uphold this complaint, I need to see that Revolut have acted against their terms and conditions in blocking Mr N's account. And I'm not persuaded they have. I say this as regardless of the reason why they've asked for Mr N's identification again, the terms and conditions are clear that they may ask Mr N for more information about him, and he would need to provide the information to ensure there is no disruption to his account or services.

There is a section of the terms which says for Revolut to meet their legal and regulatory requirements they might sometimes need to ask for more information about him. It says to

provide the information quickly so that there would be no disruption to his account.

But ultimately, section 24 of the terms show that *“We may close or suspend your account immediately (including access to other Revolut services like trading, crypto, and precious metals), in exceptional circumstances. Exceptional circumstances include, for example, the following:”* and one of the reasons given is *“if you haven’t given us (or someone acting on our behalf) any information we need, or have good reason to believe that information you have provided is incorrect or not true”*. So as Mr N had been told Revolut needed his identification for them to meet their regulatory/legal requirements and he hadn’t given them this, then they were entitled as per the terms to suspend his account, regardless of him being told different reasons for needing to provide them with the identification.

Revolut have blocked Mr N’s account as opposed to closing it at this stage. If Mr N wants to reactivate his account he will need to provide the identification that Revolut have requested in the way they requested it, or they may choose to close the account in the future, but as Revolut have not acted outside of their terms and conditions here, it follows that I don’t require Revolut to do anything further.

My final decision

I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I’m required to ask Mr N to accept or reject my decision before 27 October 2023.

Gregory Sloanes
Ombudsman