

The complaint

Mr M complains about Revolut Ltd (“Revolut”) regarding it accepting his funds before verifying his identity, and the delay he subsequently experienced in having his funds returned.

What happened

In January 2020, Mr M decided to open a Revolut account to use as a birthdays fund.

He applied and deposited £10 into the account as part of the account opening process.

After he had deposited £10, he was asked to complete ID verification, requiring a driving licence or passport. He did not have access to these so decided not to proceed with the account opening.

Mr M wanted to recover his funds. He used Revolut’s ‘chat’ function and initially spoke with an automated robot. Mr M attempted a number of commands to try to recover his funds and repeatedly received the same message which contained advice about closing his account.

Mr M stated that he wanted to complain, and the robot then transferred him to an agent.

The agent explained to Mr M that they were having some difficulties responding, but then went on to discuss Mr M’s request for his funds to be returned.

The agent actioned the return of funds, around 22 minutes after Mr M began using the chat function.

The agent explained that the funds would take up to 5 working days to be returned.

Mr M was not happy that the funds had been debited from him immediately but would take 5 days to be returned. He was also unhappy with the customer service because it had taken some time for him to reach a live agent, and he then felt that the responses were rude and unhelpful.

Mr M contacted us.

One of our investigators has looked into this matter and set out his view to the parties. This was that he did not think that Revolut had treated Mr M unfairly and he did not ask Revolut to do anything more.

Mr M did not accept this view and asked for an ombudsman decision.

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 have, in particular, looked at the text of the chat, and Mr M's comments about his frustration.

I understand Mr M's frustration at encountering inconvenience when trying to open the account. He has explained that he had not anticipated that it would take additional information to open the account, and when he decided not proceed with the account I can appreciate that it would have been annoying to have to take further time to try to recover his funds.

I do, however, have to consider whether Revolut has acted fairly and reasonably.

As the investigator explained, Revolut is required to undertake checks on the identity of their customers as part of their regulatory obligations. These can sometimes seem onerous but are necessary for both the consumer and the business.

I understand why Mr M found it frustrating that he was able to deposit funds before completing this, but I cannot say that Revolut was wrong to require a commitment to opening an account before commencing the process of validation. Revolut explained in one of the automated messages that it did not recommend closing an account as the process to open could be lengthy. Accordingly, whilst I understand why Mr M was frustrated, I cannot say that Revolut did anything wrong in taking the deposit before completing validation.

Mr M also felt that it took too long to have his funds returned and that he experienced poor customer service when contacting Revolut.

I again appreciate that he felt frustration at communicating with an automated response at first, but I have considered that transcript of his conversation and see that he was promptly passed to a live agent when he said he wanted to complain. He was connected to a live agent within 10 minutes of the beginning of the chat, and his funds return was put into action a little over 10 minutes later. I do not consider that this is an unreasonable delay. I understand why Mr M found it inconsistent that his funds were taken immediately but that it could take 5 days for the return to be completed but this is quite standard and I cannot say Mr M was treated unfairly.

I also agree with my colleague's view that the communications from Revolut were polite and courteous and so I do not uphold Mr M's complaint. I appreciate that this will be disappointing to Mr M, but I hope it clearly explains my reasons.

My final decision

For the reasons set out above I do not uphold Mr M's complaint and do not ask Revolut Ltd to do anything further.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr M to accept or reject my decision before 3 December 2020.

Laura Garvin-Smith
Ombudsman