

The complaint

Ms T complains Monzo Bank Limited (Monzo) requested unreasonable identification information to allow her to access and close her bank account with them.

What happened

Ms T says she contacted Monzo in September 2022 as her banking app wasn't recognising her mobile phone number. Ms T says Monzo then informed her she needed to identify herself by way of a selfie photo and separate identification by email, before it could look into the issue. Ms T then says she asked Monzo to close her bank account, but it refused to do so unless the selfie photo was provided along with a copy of acceptable identification.

Ms T feels Monzo are being unreasonable asking for such identification and doesn't feel it's secure and additionally it's changing the terms to which the account operates, as she could previously conduct matters over the phone. Ms T feels Monzo haven't made suitable adjustments for her given her health issues and difficulties reading correspondence.

Ms T wants Monzo to close her account and compensate her for the time she has spent dealing with the matter.

Monzo says as part of its identification process and procedures Ms T would have needed on opening the app-based bank account, to provide a video picture of herself and a form of identification and this is due to the fact as an app-based bank, it's the most secure and safe way to identify its customers going forward. Monzo says because the details it held regarding Ms T's telephone number didn't match, it needed a selfie along with suitable identification to ensure it was dealing with Ms T – but Ms T refused to provide this and as a result it couldn't help with her access to the banking app or close her bank account.

Ms T wasn't happy with Monzo's response and referred the matter to this service.

The investigator looked at all the available information but didn't uphold the complaint. The investigator felt Monzo acted reasonably when it requested for Ms T's identification by way of selfie and other identification, to look into her app issues or to close the bank account, as this was part of its process to identify her against the original selfie video it held, when she originally opened the app-based bank account.

The investigator felt Monzo had also acted fairly when it offered £25 for the fact it had asked Ms T again for the same email details it already held.

Ms T didn't agree with the investigator's view and asked for the matter to be referred to an ombudsman for a final 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.

Having done so, I won't be upholding this complaint and I will explain how I have come to my decision.

I was sorry to hear of Ms T's health and other issues and this must be a worry to her. When looking at this complaint I will consider if Monzo acted reasonably when it asked for identification to be provided by way of a selfie and documented identification by email, before it could look into her banking app issues and ultimately close her bank account with them.

The first thing to say here is Monzo offers app-based bank accounts and has no branches, so it would need different processes and procedures in order to identify its customers and meet the strict know your customer (KYC) requirements set by the regulatory authorities.

Here from the information provided to this service, Monzo informed Ms T the reasons she couldn't access her banking app in September 2022 was due to the fact the mobile phone number it held on her app wasn't valid. So Monzo asked Ms T to provide a selfie photo along with a suitable identification document so it could cross reference this with what it held on file when she opened the bank account. From the information I have seen, Monzo had previously sent Ms T messages in 2020 and 2021 prompting her to update her phone contact details – but these seemed to have been ignored by Ms T, that said it's not possible for me to know whether or not Ms T ever read or received these messages or not, but I can't hold Monzo responsible for that. So here, there was clearly an issue over this matter for some time, so it's not unreasonable for Monzo to ensure it held the correct telephone details on file.

While Ms T doesn't feel it's reasonable or secure for Monzo to request for this matter to be addressed by providing a selfie and other identification, given the nature of this business being app based, I can't see it's unreasonable for it to request this information this way, as it did when the account was originally opened, after all it has no branch network for Ms T to visit to provide the information it was asking for to ensure it was talking to the account holder.

It's not for me to tell Monzo how it must identify its customer's when trying to ensure it's speaking to the account holder, given it's attempting to protect its customers personal details in line with its regulatory obligations to prevent, amongst other things, bank account fraud. It's also not my role, nor would it be fair for this service, to tell Monzo to specifically change its set customer identification processes and procedures to meet individual preferences.

Ms T has suggested she has taken advice elsewhere and Monzo are in breach of its terms and conditions, but I'm not able to comment on that advice as it's not possible to know what information was provided or discussed. Additionally, I can't see any evidence to suggest Ms T's bank account telephone details were altered by Monzo as she suggests, or by a third party in any way, it's reasonable to assume these telephone details would have been provided by Ms T when she originally opened the app- based bank account. In addition, this matter was highlighted by Monzo back in 2020, even if Ms T has no recollection of ever receiving such messages regarding this, so this isn't a recent issue.

So, on balance I am satisfied Monzo have acted reasonably in asking Ms T to provide identification in a similar way she was asked to when opening the account, in order to correctly identify her as the account holder here. It follows it would also require that same form of identification to close the bank account or to provide the Data Subject Access Request, I understand she has requested.

I understand Ms T may not agree with my decision here and to help matters I will ask the investigator to ask Monzo for a contact name and telephone number for her to speak with, to make the process of providing the identification it needs as simple as possible.

With that in mind I won't be asking anymore of Monzo here.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Ms T to accept or reject my decision before 18 May 2023.

Barry White
Ombudsman