

The complaint

E, a limited company complains about the level of service it received from Revolut Ltd.

E is represented in its complaint by a director of E, Mr D.

What happened

E holds a business bank account with Revolut. In early December 2023, Revolut emailed E asking it to log on to its app and provide some information. Mr D says that when he tried to do this, there was no option available to provide the information.

Mr D was unhappy with Revolut's response and complained. He thought it unnecessary to supply proof of identity as Revolut had conducted the relevant checks when E opened the account. Mr D wanted Revolut to pay £300 compensation.

Revolut explained that as part of its regulatory checks, it has to verify the identity of its customers and keep that information up to date. Revolut thought it had correctly followed procedures concerning updated verification documents.

Mr D was unhappy that Revolut referred to US Federal law as part of the rules it has to follow. And he thought Revolut acted against FCA regulations when it would only accept E's complaint through the app, rather than by email.

Our investigator didn't uphold E's complaint. He said that as part of its Know Your Business (KYB) process, Revolut monitored the information it held to make sure it was up to date. And that this was an important part of complying with anti-money laundering (AML) requirements.

Our investigator thought that Mr D was able to upload a picture of his passport during the online chat and that shortly after Revolut lifted the block.

Our investigator agreed that Revolut could have communicated the ways to make a complaint better than it did but was satisfied that the terms of the account set out the ways to complain.

Our investigator agreed that Revolut should have referred to relevant FCA regulations rather than US Federal laws but thought Revolut clarified this in later correspondence.

Mr D didn't accept the investigation outcome on behalf of E. He said the rules in the FCA handbook say that complaints can be raised by any reasonable means so Revolut's response that it could not assist with account specific queries by email didn't meet the FCA requirement.

Mr D thinks the only reason Revolut asked for identification again was because it had lost the original documentation. He thinks electronic verification is more secure as identification can be easily forged. Mr D says even if Revolut was allowed to ask for proof of identity, he can't understand how the process it used was not an example of poor service.

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 realise that I have summarised this complaint in less detail than the parties and that I have done so using my own words. The rules that govern the Financial Ombudsman Service allow me to take this approach. But it does not mean I have not considered everything that both parties have given to us.

I understand that Mr D questions why Revolut asked for the information when E's account had already been set up. But as Revolut explained, the KYB responsibilities place an on-going obligation on banks and other financial businesses to ensure they have up-to-date information about their customers. As such it is not unusual for a financial business to ask for such information periodically, even if the account holder has been a customer for some time. Particularly if the proof of identity Revolut holds has expired – as it had in Mr D's case. So, I don't think Revolut treated E unfairly when it requested the information.

I appreciate that Mr D says he couldn't find where to input the information on E's account after he logged in and had emailed Revolut. But the emails that Revolut sent to him asking for the information said that if the customer has any questions, they should reach out through the in-app chat. The terms of E's account also say that the best way to contact Revolut is via its in-app chat. So, I think it was reasonable to expect Mr D to use this method to contact Revolut, rather than relying on emails.

Once Mr D used the in-app chat function at the end of December 2023, he was able to upload the proof of identity and Revolut lifted the restriction shortly after. So, I can't say any delays were due to mistakes that Revolut made.

I understand Mr D was unhappy that Revolut would not accept E's complaint by email. However, from looking at the wording in the email that Mr D pasted in the chat on 28 December 2023, Revolut was talking more about supporting E to resolve the issue with uploading the information. I say this as Revolut told E that it could not help with account specific queries over email. For this, it suggested that E contact the bank through chat as email was not secure. I don't think this was unreasonable.

I should also say that handling complaints is not an activity that we can cover in and of itself. So, a complaint about the way Revolut asked E to log its complaint, is not something I can usually deal with. That being said, I can see that E successfully logged a complaint, so I'm not persuaded there was a failure in customer service which warrants an award of compensation to E.

My final decision

My final decision is that I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask E to accept or reject my decision before 4 June 2024.

Gemma Bowen
Ombudsman