

The complaint

Mr B complains that eBay Commerce UK Ltd won't close his account despite having made a request to and it having a zero balance.

What happened

Mr B was dissatisfied with the service he received from eBay and asked to close his account and withdraw money it was holding for him. He experienced what he felt was further poor service from eBay when trying to do so – which included delays in crediting him the money and so brought his complaint to this service.

Eventually the money was credited to him, but Mr B wanted his account closed and any data that eBay was holding about him deleted. He also wanted to be compensated £150 for the time and trouble he'd spent dealing with this matter. Mr B wanted us to look into this part of his complaint in particular.

One of our investigators tried to mediate a resolution to the complaint. eBay said that it couldn't initiate an account closure itself – Mr B would need to either contact its customer service team by phone, or submit a request online. Our investigator thought this was a fair suggestion that was in line with eBay's terms.

Mr B disagreed, saying that if eBay held insufficient personal information about him then it would have done so since he opened his account. So its decision to keep the account open and then to pay him the proceeds was contrary to this. Our investigator attempted to see if they could do anything further to facilitate the closure of the account without Mr B taking further steps, but eBay explained why it needed him to take action himself. Mr B continued to disagree so the complaint was 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.

Mr B has confirmed that the crux of what I need to decide here is whether eBay is acting fairly and reasonably in requiring him to make a further request either by phone, or online, to close his account.

But I'll start by covering a point that Mr B has made about the situation here meaning that eBay has been in violation of regulatory obligations by either opening the account without insufficient personal information on file, or by then releasing the funds to him when it did with no further information. I understand the point Mr B makes and can see his point of view, but I've also considered eBay's position here too. eBay has confirmed that Mr B registered for its Managed Payments service in May 2021 and provided personal information which, at the time, meant he successfully registered for the service. But eBay has explained that while a customer can register with certain information, it may require additional information before it releases funds to them.

So while I see Mr B's point, I'm satisfied that eBay is only acting appropriately in taking steps to verify a customer's details at various points of its relationship with them. eBay has then confirmed that the reason it released Mr B's payment to him is because it had a change in procedures, after which it was able to send this to him. Before this, it would have required additional information to send the payment, but after this change, it didn't. That is eBay's decision to make and while I can see Mr B's frustration around this – this change in procedure has ultimately resulted in Mr B getting the money he wanted from eBay – so I can't say it's had an unfair outcome for him.

I'll turn now to the main part of Mr B's complaint – eBay's refusal to close his account without him contacting it. eBay has explained to this service why it is now asking Mr B to do this. This is because its process for a customer to close an account requires certain steps to be taken. These steps either have to be taken by its customer service team while on a telephone call, or a customer has to submit a request online.

eBay is entitled to set its policies and procedures like this, but I can look at whether these have led to a fair and reasonable outcome in the individual circumstances of a complaint. I can see why Mr B views this as onerous in the circumstances, given what he's said about his previous experiences of eBay's service, not to mention the fact that he previously made a request to close the account in August 2023.

Accepting what Mr B says about this though – when I think about this impartially, I don't think this request is onerous. eBay has explained that making this request is the only step that is preventing his account being closed. It has told us that if he submits this request online then he will not be asked to provide any additional information.

There is an obvious question here – which is, if this is the case, then why does Mr B have to take this step himself? Especially as he made a previous request to close the account in August 2023. eBay says it needs another request from Mr B where previous requests were denied. I think that's a reasonable request. eBay then says that it doesn't initiate the closure of accounts itself and needs customers to do that. I can see why Mr B views that as unnecessary, given the previous request – but equally I don't think this policy is having an unreasonable or unfair impact on him.

I say this because, while this will be minimally inconvenient in meaning that Mr B has to contact eBay when he doesn't want to, eBay has confirmed that he'll only need to follow a few steps to close his account. So Mr B will only need to take a few steps to get his account closed and eBay will then have the record of the request it needs to do that, in the way it wants. I think that's a fair and reasonable position for both sides and so I won't be telling eBay that it needs to close Mr B's account without him submitting a further request.

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 Mr B to accept or reject my decision before 5 July 2024.

James Staples
Ombudsman