

The complaint

Mr P complains that Capital One (Europe) plc closed his account because he didn't re-validate his identity and address within the timeframe. Mr P says this was because of miscommunication and a lack of support from Capital One.

What happened

Mr P held a credit card account with Capital One ending 1614.

On 23 November 2023 Capital One sent a letter to Mr P advising him that they needed to re-validate his identity and address to comply with regulations. The letter said that if the information wasn't provided within 65 days from the date of the letter (by 27 January 2024) the account would be closed. The letter included a list of acceptable documents which Mr P could send to validate his identity and address.

On 5 January 2023 Mr P called Capital One to ask why his card wasn't working. The agent advised Mr P that the account was blocked pending receipt of identity documents and explained to Mr P where he needed to send his identity documents.

On 10 April 2024 Capital One sent a letter to Mr P advising him that because it hadn't received proof of identity the account was being closed.

On 17 April 2024 Mr P called Capital One but was unable to discuss the account due to an incorrect date of birth. The agent confirmed with Mr P that they could check his credit file to verify his date of birth.

On 18 April 2024 Mr P complained to Capital One about the blocking of the account. He said he'd already sent in his proof of identity and that he'd received a text message to say his details had been updated and the block had been lifted.

Capital One issued a final response on 3 May 2024 in which it partially upheld the complaint. It said the account had been closed because the identity documents hadn't been received within the timescale. It said that it should have made Mr P aware when he called on 17 April 2024 that even though his date of birth had been updated the account would remain closed. It apologised for this error. Capital One acknowledged that it had sent a text to Mr P confirming that his details had been updated but said he'd been misinformed that his card was fine to use because the information wasn't received within the timeframe. Capital One said to make up for any inconvenience caused it was crediting Mr P's bank account with £75.

Mr P remained unhappy and brought his complaint to this service.

Our investigator didn't uphold the complaint. She said the account was closed because Mr P had failed to re-validate his identity and address within the timeframe. She said she hadn't seen any evidence to suggest that Mr P had sent the documents to Capital One within the timeframe. The investigator said she didn't think Capital One had treated Mr P unfairly by closing the account because the terms and conditions of the account said that the bank

could close an account with two months' notice. The investigator said that although Capital One had given Mr P incorrect information about his account having been reactivated, the information didn't impact on the account closing as it was given after the deadline for account closure had passed. The investigator acknowledged that the incorrect information would have caused confusion for Mr P but said the compensation of £75 already paid by Capital One was fair and reasonable.

Mr P didn't agree with the investigators opinion, so I've been asked to review the complaint.

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've looked at the letter that Capital One sent to Mr P in November 2023. This letter set out the information that Mr P needed to provide and the date by which he needed to provide it. Because Mr P didn't provide the information within the timescale, the account was closed.

I've thought about whether Capital One treated Mr P fairly when it closed the account. The letter sent to Mr P in November was clear and provided Mr P with all the key information he needed in order to verify his identity.

I've also reviewed the terms and conditions of the account. These say that Capital One can close the account with two months' notice. The deadline given to Mr P to provide his identity documents was just over two months. I'm therefore satisfied that Capital One acted in line with the terms and conditions.

Mr P has said that he sent his identity documents to Capital One within the timescale. However, I haven't been able to find any evidence that Capital One received anything from Mr P before 27 January 2024. The investigator asked Mr P to provide evidence that he'd sent the documents before 27 January 2024 in order that it could be considered, but I haven't seen anything further from Mr P.

Taking everything into account, I'm unable to say that Capital One treated Mr P unfairly when it closed the account. So, I won't be asking Capital One to reinstate the account.

Mr P has said that Capital One provided him with incorrect information about his account being activated. I've thought about this. I can see that Capital One sent Mr P a text advising him that he could use his card as normal. Capital One has explained that the text was sent in error, because although Mr P had updated his details, he hadn't provided the documents within the timescale and the account had already been closed.

Whilst I agree with the investigator that the text had no impact on the account closing, I think the text introduced unnecessary confusion, and caused Mr P additional frustration and disappointment over and above that which he'd already suffered as a result of the account closing. Taking this into account, I think it's right that Capital One paid compensation. The amount paid is in line with what this service would award so I won't be asking Capital One to increase the compensation.

Taking all the available information into account, I'm not persuaded that Capital One made an error or treated Mr P unfairly when it closed the account. Capital One did make an error when it sent the text message to Mr P, but I think the compensation already paid for this error is fair and reasonable, so I won't be asking Capital One to do anything further.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 19 November 2024.

Emma Davy
Ombudsman