

The complaint

Miss G complains Revolut Ltd would not refund her sister £76 she transferred to Miss G's Revolut account in error or close her account without her downloading the app and completing verification.

What happened

In May 2024 Miss G's sister sent a payment of £76 to her Revolut account by mistake. Miss G explained she had registered for an account with Revolut approximately four years before but hadn't activate it, explaining she regularly received contact from Revolut asking her to complete the verification process and provide identification. She explained she received a debit card for her account but cancelled it and had asked Revolut to remove all her personal details from its systems and requested to '*unsubscribe*'.

Miss G explained her sister raised a complaint with Revolut. Miss G said Revolut told her sister Miss G would need to download the app and send the funds back. Miss G therefore contacted Revolut to enquire about sending the funds back to her sister. Revolut asked her to install the app so she could complete the verification process and sent the money back. Miss G explained she was not prepared to do this and raised a complaint. Miss G did use her Revolut account for a short time after opening it but has not done so recently.

Miss G explained she wanted Revolut to refund the money, close her account and delete her details from its systems. She said she felt she was being forced to register to use Revolut's services, stating Revolut had not made it clear to her she had an active account. She also believes Revolut are in breach of data protection legislation.

Revolut wrote a final response letter to Miss G in October 2024. It explained Miss G opened an account in January 2020. Revolut confirmed Miss G's account received a payment from Miss G's sister in May 2024. It confirmed if Miss G wanted to transfer the funds back to her sister, she would need to log in to her account and do so herself. Revolut provided an overview of the process Miss G would need to follow to do this, explaining, due to security and regulation reasons, it was not able to make the transfer without her authorisation and active participation.

Revolut also explained it was legally bound to retain information on customers and complied with data protection legislation, further explaining it needed customer verification to close accounts to comply with these requirements. Revolut provided details in its response of how Miss G could close her account, including an email address she could use instead of the app.

Revolut explained Miss G cancelled her debit card back in March 2022, but this did not close her account, confirming it remained open and operational since then even though Miss G did not use the Revolut app or complete the additional verification steps.

Our investigator didn't think Revolut had acted unfairly or unreasonably, and it didn't need to take any further action. They explained Miss G had opened an account with Revolut and were satisfied Miss G had agreed to provide personal details when opening the account. They also thought Revolut were not acting unreasonably when asking Miss G to use the app to close her account, noting Revolut had also offered an alternative, but would need to identify her before it could close the account.

Miss G disagreed with our investigator's recommendation explaining her sister had since received the funds back.

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 appreciate how strongly Miss G feels about her complaint. Although I may not mention every point raised, I have considered everything but limited my findings to the areas which impact the outcome of the case. No discourtesy is intended by this, it just reflects the informal nature of our service.

Where evidence is incomplete, inconclusive or contradictory, I have to make decisions on the balance of probabilities – that is, what I consider is more likely than not to have happened in light of the available evidence and the wider surrounding circumstances.

The first issue for me to decide is regarding the status of Miss G's account. I note she considers her account as not active or closed as she cancelled her debit card and has used the term '*unsubscribed*' from Revolut. Revolut has provided evidence it has an open active account for Miss G. Miss G does not dispute opening an account and there is evidence a deposit reached this account in 2020.

Miss G accepts she received a debit card for this account, this means Miss G would have been able to make transactions on the account. I am therefore persuaded it was reasonable to think, at this time, an account had been successfully opened. I accept Miss G cancelled her debit card later. However, cancelling a debit card is not the same as closing an account, and the account would have remained open unless Miss G had taken the correct steps to close it.

I am therefore satisfied Miss G had an open and active account and had provided the necessary information for Revolut to open an account for her in 2020.

Moving now to Miss G's recent instructions regarding the closure of her account and the transfer of the funds. As a starting point for my decision, it is accepted and required that businesses have processes in place to ensure they are speaking with the correct customer. Whilst such processes differ from business to business, the underlying principle of confirming who the customer is before discussing banking information or processing instructions, is common industry practise. Whilst I do not think it is proportionate to go into detail here, data protection legislation means severe penalties can be imposed on individuals and business that breach legislation or do not have robust processes in place to ensure compliance with such legislation.

For these reasons, I agree it is not unreasonable to have a system in place to verify customers. Revolut is correct to state it cannot make changes to an account without verifying the customer is who they say they are. Revolut has provided links to its policies which gives details about how it processes data in its final response. Revolut is an app-based online bank, customers have to use apps and online methods to open an account and manage their finances. I therefore do not think it is unreasonable or unfair to offer a system in line with this for closing or altering an account. I am also minded, from the evidence I have seen, Miss G would have agreed to these terms and conditions when she opened her account in 2020.

Revolut explained in its final response letter it can accept instructions via email and provided an email address for Miss G to contact to close her account. This provides Miss G with an alternative to downloading the app, but would still require her to provide details of her identity so Revolut could close her account. I am satisfied this is a reasonable alternative Revolut has offered which deals with some of the issues Miss G has raised.

I can see Miss G has referenced her sister's complaint and outcome when rejected our investigator's recommendation, and I am pleased to hear she was able to recover the funds. I am limited to what I can say about this recommendation in my final decision, but the outcome would have been based on the evidence provided by Miss G's sister, which may not entirely reflect the circumstances highlighted by Miss G's complaint to our service. This is understandable, as the investigator for Miss G's sister's complaint would have based their recommendation on the evidence provided - which would not have included the status of Miss G's account for data protection reasons.

I am aware Miss G is unhappy about how Revolut has processed her personal data and what is required from her and what data it has said it needs to retain. These are not issues our service is best placed to make a decision on. The Information Commissioner Office (ICO) may be able to investigate these concerns for her.

For these reasons I don't think Revolut has acted unfairly or unreasonably in the circumstances. I appreciate Miss G appears to be concerned about data protection and does not want to provide information to Revolut for the transfer or closure, but I am satisfied she did open this account and would need to comply with the prescribed terms and conditions and processes to verify who she is before Revolut can action any of her instructions.

I understand this is not the outcome Miss G is hoping for, but I trust I have explained my reasoning fully.

My final decision

For the reasons I have given, my final decision is I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss G to accept or reject my decision before 24 February 2025.

Gareth Jones
Ombudsman