

The complaint

Mr J has complained Yonder Technology Ltd placed undue requirements on him to prove his identity. This was to progress a claim that he didn't take out a credit card with them in March 2025.

What happened

In June Mr J received a notice of arrears from Yonder about a credit card debt they held in his name. He didn't believe he'd taken out this credit card so got in touch with Yonder to complain.

As part of their process enabling them to investigate Mr J's claim, they asked him to use their third-party verification service to provide a selfie and a copy of photo ID. Mr J was unwilling to do this as he was concerned this credit card had been taken out fraudulently and wasn't comfortable with trusting a third-party provider which he felt relied on AI to make decisions. Yonder confirmed they'd be happy for Mr J to provide this required data by email.

Mr J was unwilling to do so and believed Yonder were acting unreasonably. He brought his complaint to the ombudsman service.

Our investigator noted Mr J's reticence to use the options provided by Yonder but felt their requirement to have ID was reasonable and there had been different options available to him.

Unhappy with this outcome, Mr J has asked an ombudsman to consider his 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.

Having done so, I've reached the same outcome as our investigator. I'll explain why.

I don't dispute Mr J has concerns about providing ID to Yonder. He's given us evidence to suggest that an unknown third party tried to access his online account with HMRC. So that and what he believes are footprints on his credit record suggesting numerous searches for credit – which he didn't make himself – would certainly cause him pause for thought.

However, when a business investigates claims of fraud, they are permitted to have their own internal processes, as long as those are not unfair and don't place undue requirements on individuals. By and large, it is not our service's role to tell financial institutions how to manage their business processes.

Yonder requires a copy of Mr J's photo ID and a selfie. Since I believe it's likely the initial application was made with this data, I think that's a reasonable requirement. They've offered him two alternatives to provide that data.

Mr J obviously doesn't trust Yonder and perhaps that isn't too surprising as he believes an

application for credit has been made fraudulently in his name. He's confirmed he'd be willing to provide this data using a lawyer, government service, or perhaps the Post Office ID checking service. He's also suggested the police, but I can't see that being a viable option.

To break this logjam and taking into account our service having been set up by Parliament to sort out complaints between financial business and their customers, I suggested Mr J provide us with the data and we could share this securely with Yonder. I then would instruct them to consider his fraud claim, allowing them time to do this, so we could bring this issue to a resolution. I think the issue here is whether Mr J has been a victim of fraud.

Unfortunately, Mr J is unwilling to do this. He believes any system he uses to provide this data is potentially insecure and as he's already been a victim of ID impersonation, he wants to minimise the chance of this re-occurring.

Whilst I appreciate what Mr J is saying, I feel he needs to be pragmatic. I don't believe the options presented to him have been unreasonable. I won't be asking Yonder to do anything further.

Mr J still has a fraud claim and perhaps he will now need to consult separate legal advice about how to progress this.

My final decision

For the reasons given, my final decision is not to uphold Mr J's complaint against Yonder Technology Ltd.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr J to accept or reject my decision before 28 October 2025.

Sandra Quinn
Ombudsman