

The complaint

Mr H complains eBay Commerce UK Ltd (Commerce) stopped him moving money from his sales to his bank account.

What happened

Mr H couldn't move money from his eBay Marketplace (marketplace) balance to his bank account, and he messaged Commerce. Commerce told Mr H he needed to send in his national insurance (NI) number, or his money would be held permanently.

Commerce sent a final response, in April 2025, where it said it had given Mr H the correct information in line with its policies and had closed the complaint.

Unhappy with this response, Mr H brought his complaint to this service. An investigator looked into things but didn't think Mr H's complaint should be upheld.

The investigator thought it was fair for marketplace to ask Mr H for his NI number, and when Mr H didn't send it in the investigator thought it was fair for Commerce to hold the money to protect itself against any possible liability.

Mr H disagreed and said Commerce had no legal grounds to hold his money permanently, and this wasn't fair or reasonable. Mr H said marketplace could eliminate the risk he posed by stopping him selling.

Mr H said Commerce's terms don't allow for a permanent seizure of his money. Mr H also said the need for his NI number wasn't related to payment services, what Commerce is regulated to do, it was related to the marketplace.

Mr H asked for an ombudsman to decide 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.

I asked Commerce for some further information around the hold Mr H had in March 2025 and to ask whether Mr H's money would be released at some point, when the risk of liability had passed.

Commerce replied to say the hold in March was because a buyer opened a money back guarantee claim, and the hold only lasted five days.

I can see from Mr H's chat at the time he wasn't told this, he was told the hold was a permanent one because of the need for his NI number. And during this chat Mr H was told he'd need to give eBay his NI number.

Mr H continued to sell on the marketplace.

I can also see Mr H was able to move money from his marketplace balance to his bank account after March 2025, when he was told, in error, the money was on hold permanently.

Mr H was able to send a total of over £15,000 to his bank account in March, April, May and June 2025. Despite what Mr H had been told in the chat, I think it's clear Mr H could access the money held in his marketplace balance without his NI number being given over.

Mr H was told by the marketplace he'd need to change his account from personal to business, because of the volume of sales. Mr H was told this in March.

Mr H hadn't changed his account by April, and the marketplace restricted his account. Mr H then changed his account to a business account.

During this process Mr H was again asked for his NI number, and he didn't want to give the marketplace this information.

Mr H was told he could delay the need for the NI number, by clicking a box 'I don't have a national insurance number', which it seems he did. Mr H was able to continue to sell and continue to move money from his marketplace balance to his bank account.

Mr H was sent another message, asking for his NI number, and warned if he didn't send it payouts would be blocked. Mr H didn't send in his NI number, so payouts were blocked at the beginning of July 2025, with around £2,500 put on hold.

Mr H was on notice he needed to send in his NI number, and he'd been told not sending it in could lead to a permanent hold on his money. I think Mr H had a choice here, send in his NI number or stop using the marketplace, but it seems he did neither of these.

Mr H has said Commerce could have reduced the risk he posed by not allowing him to sell. But I think Mr H could also have reduced the risk his payouts would go on hold by not selling, or by sending in his NI number.

Marketplace eventually stopped Mr H selling and placed his payouts, from the marketplace balance to his bank account, on hold.

I think Mr H had been fairly warned what would happen if he didn't send in his NI number, I don't think Commerce made a mistake in placing his money on hold.

Commerce's terms allow it to hold money, and the terms say the hold will be released when the risk associated is reduced or eliminated. Commerce's terms don't give a timescale for the release of the hold.

I think Commerce acted in line with its terms by placing a hold on Mr H's money. Marketplace had asked Mr H several times for his NI number, and I think there is a risk associated to Commerce continuing to allow Mr H to payout without accurate tax records.

Mr H was then sent an email in November 2025 to say the marketplace wouldn't let him continue to sell without his NI number.

And this email also said Mr H's payouts had been released.

Mr H says he missed the line in Commerce's email about the release, but I don't think this is

Commerce's fault. I think the email was clear, Mr H could no longer use the marketplace but could access the money held in his marketplace balance.

I don't think Commerce made a mistake with how it handled things. Mr H was told in March failure to provide his NI number might mean an indefinite hold on payouts.

Mr H was told this again, after changing his account to a business account.

I think Commerce was clear in what it needed, why, and what the consequences of not sending in the NI number would be.

Mr H says the marketplace used to allow other payment methods, and had it still allowed this he could continue to sell without the need for his NI number.

But Commerce has been the payout method for some time and Mr H agreed to its terms.

If Mr H was unhappy with being made to use only Commerce, he had the option not to sell things on the marketplace.

By continuing to sell, and continuing to use Commerce to make payouts, I think Commerce could fairly enforce its terms.

Mr H also said giving his NI number isn't related to the provision of a payment service, what Commerce is doing when it moves money.

I agree Commerce can allow payouts without the need for Mr H's NI number, it did this for some time prior to any holds and it agreed, in November, to pay out after placing a hold on payouts due to the lack of an NI number.

But Commerce's terms allow it to place holds on payouts where there's a risk, and Commerce considered Mr H's refusal to send his NI number in a risk.

Because of changes to online selling regulations there's a need for tax details when certain thresholds are met. Mr H reached these thresholds, so Commerce needed his NI number to abide by the regulations in force.

I think not getting Mr H's NI number, and his clear refusal to send it, exposed Commerce to a risk of breaching these regulations, so I think it was fair to place a hold on Mr H's payouts.

I realise not being able to access money from sales would have been inconvenient for Mr H.

But this inconvenience flows from Commerce's reasonable, and forewarned decision to place a hold on his payouts.

I don't think this decision was unfair, and because of this I won't be telling Commerce to compensate Mr H for any inconvenience he was caused.

My final decision

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

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr H to accept or reject my decision before 3 February 2026.

Chris Russ
Ombudsman