

complaint

Mr H complains that Revolut Ltd requested information about a transaction before allowing the payment to go into his account.

background

In May 2019, Mr H sold an item and the purchaser paid him by bank transfer into his Revolut account. Before Revolut released the funds to Mr H, they contacted him to ask some questions. They wanted to know the full name, address and country of residence of the payer.

Mr H challenged Revolut's request for this information, particularly as the transaction was of a low value. He made a complaint to Revolut about their process. A few days later, Mr H provided the information they had requested and the funds were credited to his account. But, as he was unhappy with Revolut's approach to the situation, he instructed them to close his account.

Mr H brought a complaint to this service. He queried the basis on which Revolut were entitled to request information from him about the purchaser. He said it was unreasonable and that he couldn't be expected to know the buyer's personal details. Mr H wanted an apology and compensation for the distress he says this situation caused him.

Revolut said that they have policies and procedures in place for administering accounts, making funds available and identifying fraud. They said that all payments may be subject to their usual fraud checks and that they may perform additional checks if they think it necessary. They said their terms and conditions allow them to do this. Here, they say their security system had flagged the payment into Mr H's account and they decided that confirmation of the payer's details was needed for them to release the funds.

Our investigator thought that Revolut had acted fairly so she didn't ask them to do anything. But Mr H didn't agree and asked for his complaint to be reviewed by an ombudsman. He says that Revolut's terms are vague and that, as their customer, he can't be expected to collect information about every person who transfers money into his account, especially for low value transactions.

my findings

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

The starting point here is that it's right for Revolut to have security measures and procedures in place to safeguard customers' accounts and prevent fraud so far as possible. As to exactly what those procedures are and how they're carried out, that's a matter for Revolut to decide. But, having put a fraud detection system in place, when it flags up a transaction as potentially suspicious, it's reasonable for Revolut to act on that.

In this case, Revolut requested the name, address and country of residence of the payer. I think that request falls within the scope of their terms and conditions and I think it was reasonable here. I note Mr H's point that he can't be expected to know the personal details of everyone who might make a payment into his account. But he was able to provide that information in this case, just a few days after it was requested. Unfortunately, it's in the

nature of security checks like these that they sometimes cause inconvenience for some customers. I realise that Mr H is unhappy about the situation, but I don't find that he suffered any significant adverse consequences as a result of Revolut's request here.

The fact that none of the previous transactions on Mr H's account have been picked up by Revolut's security system doesn't mean it was wrong to highlight this one. It's for Revolut to decide what factors their system should look at when screening transactions. And I haven't seen anything which suggests it was used unfairly or incorrectly here. So I'm not going to ask Revolut to do anything.

my final decision

For the reasons above, 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 10 October 2019.

Katy Kidd
ombudsman