

## **The complaint**

Miss K complains that Frasers Group Financial Services Limited changed its processes by requiring her to provide identification documents, after accepting Miss K for an account.

## **What happened**

Miss K opened a credit account with Frasers Group in September 2023. As part of the management of the account Miss K was required to download and use the Mobile App – which she did.

Around November 2023, Miss K says she made the decision to delete the Mobile App from her phone to free up storage space. Shortly after Miss K decided to reinstall the Mobile App to check if she owed anything, but to do so found she now needed to provide a proof of identification – something that hadn't been required when she first downloaded the Mobile App earlier in the year.

Miss K contacted Frasers Group in December 2023 to complain, explaining she'd not been required to provide identification when she was approved for the account, so didn't think she should have to now. Miss K also said Frasers Group shouldn't be allowed to vary the conditions of the contract after she'd entered it without telling her. Miss K also explained she wanted to re-download the Mobile App, in part to check her outstanding balance. Frasers Group confirmed her account balance was zero and they'd escalate her concerns about the identification requirement.

Frasers Group issued their final response in January 2024. They said they'd updated their security features and were now asking customers to provide proof of identification. Without this, Miss K wouldn't be able to access her account.

Unhappy with their response Miss K brought her complaint to our service. In summary she said Frasers Group didn't tell her they'd made changes that required her to provide identification, and under their terms and conditions they should have. Miss K also said this had caused her to be out of pocket as she'd accrued £20 in loyalty points she now couldn't access. She also felt they'd suspended access to her account without telling her, as they said in their terms and conditions they would.

An Investigator here reviewed matters but didn't consider Frasers Group had acted unfairly. She said while our service wasn't able to ask a business to change its processes, Frasers Group had made these changes to improve security and that didn't seem unreasonable. She also referred Miss K to certain terms which she considered allowed them to make these changes.

Miss K didn't agree and raised further concerns – explaining the situation had left her frustrated as she'd been unable to pay for goods on instalments since the account was suspended. Our Investigator explained that under the terms of the agreement Miss K's account hadn't been suspended.

With no resolution the complaint has been passed to me to decide.

## 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.

In considering what is fair and reasonable, I've taken into account the relevant industry rules and guidance, and what would be considered as good industry practice.

Firstly, I think it would be helpful to explain the role of this service when considering Miss K's complaint. It isn't our role to supervise, regulate or impose fines on any business. It also isn't our role to ask a business to alter procedures or processes more generally. These aspects fall firmly within the remit of the regulator – in this case, the Financial Conduct Authority (FCA).

But it is our role to examine and decide whether Frasers Group have been fair and reasonable in the manner in which those policies and procedures are applied in the individual circumstances of Miss K's dealings with them.

Miss K has referred to certain terms within the agreement, which she says mean Frasers Group should have notified her before changing their identification policy – which they didn't do. In deciding Miss K's complaint I've looked at everything that's been provided by both parties and read the terms and conditions of the account in full, paying particular attention to the terms Miss K refers to. I have done so in the context in which they were written – rather than individual terms. Having done so, although I've noted Miss K's points, I think the most relevant terms here are 1.4 and 14.12, which say:

### *1. This Agreement*

*1.4 This Agreement is subject to your Account in the Mobile App being activated. We may need to complete certain security procedures (designed to detect suspected fraud and money laundering) before doing this. You will be notified by the Mobile App or by email when your Account has been activated.*

Under *Account Maintenance*, Term 14.12 goes on to say:

*14.12 For operational reasons, we may update or change the Mobile App at any time without notice or liability to you.*

Taking these into account, I can't agree Frasers Group have acted unfairly in asking Miss K to provide identification. While she may not have been required to provide this initially, I don't agree they've acted unfairly in asking her to do so now. It's not uncommon or unreasonable for businesses to update and improve security measures to protect their customers' accounts – that's what Frasers Group say happened here and the terms allow for that to happen. This seems reasonable.

I also don't agree Frasers Group have suspended Miss K's account. While they have explained she won't be able to access the account until she provides her identification, this doesn't mean the account is suspended. Frasers Group have also confirmed Miss K will be able to access the £20 in loyalty points, once she completes the necessary checks. Ultimately, I can't agree Frasers Group have acted unfairly by asking Miss K to provide identity documents and nor do I consider they needed to notify her before updating their security features. Frasers Group have agreed Miss K can use her loyalty points once she re-activates the Mobile App which seems reasonable, so I won't be asking them to do anything further here.

**My final decision**

For the reasons I've explained above I don't uphold Miss K's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss K to accept or reject my decision before 13 June 2024.

Victoria Cheyne  
**Ombudsman**