

The complaint

Mr P complains that Revolut blocked his account and left him without access to his funds, causing him financial difficulties and inconvenience.

To put things right, Mr P wants Revolut to compensate him for the debts and costs he has incurred due to its action and for the trouble and upset him and his family experienced.

What happened

Mr P opened his account with Revolut on 25 April 2019, but Revolut blocked the account on 9 August 2019. Revolut didn't explain why it had done so, and the block stopped Mr P from accessing the €4,000 he says he had in his account. Mr P provided Revolut with the information it asked about his account activity during the block.

Revolut rejected Mr P's complaint on 11 October 2019, saying it had acted in accordance with the terms and conditions of Mr P's account. It then sent a notice to close Mr P's account with immediate effect via his Revolut app on 25 October 2019. On the same day it returned the funds that remained in Mr P's account to the PayPal account they had come from.

Mr P remained unhappy and asked our service to resolve his complaint.

Our investigator explained that Revolut was entitled to block, review and close Mr P's account. And that it didn't have to give Mr P notice or an explanation of its reasons.

She noted the length of time taken by Revolut to review Mr P's account but felt this was reasonable given the checks it was carrying out. She also said she was satisfied the account was closed correctly and funds returned to where they had originated from - PayPal.

Mr P remained unhappy: he said he provided Revolut with the information it needed and despite this it didn't remove the block and prevented him from accessing his funds.

Mr P said he, and his family were financial impacted and incurring debts and costs as a result of not accessing his funds. Mr P also questioned what would've happened had the funds that were returned been sent to a beneficiary he was no longer in contact with.

As our investigator could not reach an agreement, Mr P referred the matter to me to issue a final decision.

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 can understand why Mr P is upset. His account was blocked and he had no access to his funds while Revolut reviewed his account. But for me to uphold his complaint I would have to find that Revolut has done something wrong. And in this case, I don't think it has. I'll explain why.

account block and access to funds

I'm satisfied Revolut acted in accordance with its legal and regulatory obligations 9 August 2019 when it blocked and was reviewing Mr P's account. It requested information from Mr P to carry its review and then returned the funds in the account to source on 25 October 2019. Revolut was entitled to review Mr P's account under the account terms and conditions and request whatever information it needed. After completing its review, it decided to send the funds back to where they had come from based on what Mr P had told it. I can't say it acted unfairly in doing so.

I understand Mr P's point of funds being returned to a beneficiary he wasn't in contact with anymore. But this didn't happen and I can't make a finding on something that may've happened.

I've considered whether Revolut could've completed its review sooner. But based on what I've seen it didn't cause unreasonable delays in its review and completed it as quickly as it could.

account closure

I can see the bank issued Mr P with a notice to close his account immediately in line with the terms of the them.

A business is entitled to close an account with a customer just as a customer may close an account with a business. But before a business closes an account, it must do so in a way, which complies with the terms and conditions of the account.

The terms and conditions of the account – which both Revolut and Mr P had to comply with – say that it could close the account immediately and without notice, under certain circumstances. Having considered the evidence I've been provided, I'm satisfied that Revolut acted in accordance with its terms and conditions when it closed Mr P's account.

In summary, I understand Mr P's frustration at the situation, and I know he will be disappointed with the outcome. But, having looked at all of the available evidence, I can't say that Revolut did anything wrong. So, I'm not upholding Mr P's complaint.

My final decision

My final decision is that I do not uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr P to accept or reject my decision before 18 September 2020.

Alex Brooke-Smith
Ombudsman