

## **The complaint**

Mr I complains that Revolut Ltd blocked and then closed his account. He's also unhappy about the way Revolut handled things. He wants Revolut to pay him compensation for the trouble and upset he was caused.

## **What happened**

Mr I had an account with Revolut. On 12 August 2019 the bank blocked the account – meaning Mr I was unable to use it during that time. The bank wouldn't tell Mr I much about what was happening – only that it was complying with its legal and regulatory obligations. Following this, on 23 September 2019, Revolut decided it no longer wanted Mr I as a customer and closed his account.

Mr I complained to the bank about the lack of information. He said as a result of blocking his account he had had to rearrange a training course he had organised to attend. He wants Revolut to provide a proper explanation why it blocked and closed his account. Mr I's also unhappy that when he tried to speak to Revolut about what was happening with his account he could only do so via an online app.

Revolut said it hadn't done anything wrong and had acted in accordance with the terms of the account and relevant regulations. Mr I wasn't happy with the bank's response. So, he referred his complaint to us and one of our investigator's considered it. She said Revolut hadn't done anything wrong. She also explained that the bank didn't have to provide an explanation why it had decided to block and close Mr I's account. And she didn't think Revolut had taken too long to release Mr I's funds.

Mr I disagreed. He said Revolut hasn't treated him fairly and similar things had happened to his relatives and friends. He wants Revolut to provide a proper explanation why it blocked his account and no longer wants him as a customer.

As no agreement could be reached the complaint has come 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.

It's clear from what Mr I's told us and the bank that he feels strongly about his complaint. I appreciate that he's upset that Revolut blocked and closed his account. I can also understand that this was no doubt stressful for him especially as he had plans to use the money in his account to pay for a course. But for me to uphold this complaint, I must be satisfied that the bank has done something wrong. And in this case, I don't think it has. I'll explain why.

All banks in the UK are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. Banks are also required to carry out ongoing monitoring of an existing business relationship. That sometimes means banks need to restrict customers' accounts. Revolut has said that Mr I's access to his account was blocked to meet these requirements. Having looked at all the evidence, I'm satisfied first of all that Revolut was within its rights to review Mr I's account and that it was entitled to block it while it carried out that review.

Revolut also weren't obliged to tell Mr I why it was carrying out a review of his account – as much as he'd like to know. And it wouldn't be appropriate for me to require it do so. The terms and conditions also permit Revolut to block an account. So, I can't say the bank has done anything wrong by not providing this information to Mr I. However, I note that Revolut sent Mr I an email on 20 August 2019, to explain it had blocked his account to comply with its statutory obligations. So, I think it's likely he had some understanding of the reasons behind Revolut's actions.

Mr I's also unhappy about the service he received when tried to get in touch with Revolut to find out what was happening with his account. In particular, he's upset that the only way he was able to communicate with Revolut was via its app. He would've much rather have had spoken to someone over the phone.

I can appreciate having to communicate via an app would've have been frustrating for Mr I – especially as he wasn't being given the information he wanted. But as the investigator has already explained, we can't tell a business to change its processes. I've also noted that Revolut wrote to Mr I on more than one occasion to explain things to him and addressed his complaint fully – albeit he wasn't happy with the outcome.

Mr I says Revolut took too long to complete its review and release his money. And should've done things more quickly. He's said he had to rearrange a course he'd booked in August 2019 to later in the year because he didn't have access to his money. I can see that Revolut took around six weeks to complete its review and return Mr I's funds to him. I don't consider this was unreasonable. I'm satisfied Revolut completed its review in timely manner and did things as quickly as it could.

I accept that Mr I was caused trouble and upset as a result of Revolut's actions. But as I've explained, banks have to comply with various laws and regulations. Having looked at all the evidence, I'm satisfied that Revolut was complying with its obligations when it blocked Mr I's account. And whilst I accept this caused Mr I inconvenience, I can't say Revolut treated him unfairly. So, it wouldn't be appropriate for me to make an award of compensation for that since I don't believe it acted inappropriately.

I then turn to the bank's decision to close Mr I's account. As the investigator explained, it's generally for banks to decide whether or not they want to provide, or to continue to provide, banking facilities to any particular customer. Unless there's a very good reason to do so, this service won't usually say that a bank must keep customer or require it to compensate a customer who has had their account closed.

In his submissions to us, Mr I said that he suspects fraud systems malfunctioned, which led to numerous accounts being blocked. And instead of investigating things properly it decided to close a number of accounts, including his. The reason for his suspicion is because his acquaintances had similar experiences who also have accounts with Revolut. Whilst I recognise the strength of his feeling, I've not seen any evidence to support Mr I's suspicions. I can't comment on what has happened to his acquaintances because I only have the power to consider Mr I's complaint against Revolut.

Banks should give reasonable notice before closing an account. Usually, that means 60 days' notice, but it can be less – depending on the circumstances. Mr I's account was blocked from 12 August 2019; he was unable to gain access to the funds in it until 23 September 2019. Whilst the account was formally closed on 23 September 2019 (without notice), I believe that the account was effectively closed on 12 August 2019 – since after that time Mr I couldn't use it. Having looked at all the evidence, in my view that wasn't unreasonable. And the bank acted in line with the account terms and relevant regulations. So, I can't say the bank has done anything wrong when it closed Mr I's account.

In summary, I recognise how strongly Mr I feels about what's happened, and I don't doubt it was a frustrating and worrying time. So, I realise Mr I will be disappointed by my decision. But overall, based on the evidence I've seen, I can't say Revolut have acted unreasonably and treated Mr I unfairly when it blocked and closed his account. So, I'm not going to ask the bank to do anything.

### **My final decision**

For the reasons I've explained, I don't uphold this complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mr I to accept or reject my decision before 8 October 2020.

Sharon Kerrison  
**Ombudsman**