

The complaint

Mr R complains about Revolut Ltd's decision to review, block and subsequently close his account. He says this caused him severe financial difficulty and health problems. Mr R would like compensation.

What happened

In March 2020, Revolut blocked Mr R's account while they carried out a review. As part of the review, Revolut asked Mr R questions about previous transfers he'd made and asked him to provide some documentation such as identification documents and tax statements. Mr R says he couldn't supply everything Revolut had asked for because his accountant was in hospital. Because Mr R couldn't provide the requested information, his account remained blocked and he couldn't access his money.

Mr R said his benefit payments were paid into this account and he couldn't access it. He also said his friend tried to send him some money but couldn't. Mr R says this caused him a lot of financial problems as he needed the money to care for and feed his children.

In May 2020, Revolut made the decision to close Mr R's account and return the funds to the original source. They also confirmed the account didn't hold any money which originated from Mr R's benefit payments. The balance of the account when it was blocked and closed was around £27.

Mr R complained to our service. The investigator didn't think Revolut had acted unreasonably. She said they were entitled to carry out a review and she didn't think there'd been any unnecessary delays. Mr R disagreed. He remained unhappy that Revolut left him without money so he couldn't care for his family.

As an agreement couldn't be reached, the complaint has been passed to me to review.

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.

Having done so, I agree with the investigator for broadly the same reasons. I've explained further below.

The review and block

Revolut are strictly regulated and must take certain actions in order to meet their legal and regulatory obligations. They're also required to carry out ongoing monitoring of new and existing relationships. That sometimes means they need to restrict customers' accounts – either in full or partially while they carry out their review.

Having looked at what's happened, I'm satisfied Revolut was complying with their legal and regulatory obligations when they reviewed Mr R's account. So, I can't fairly say they've done anything wrong. I appreciate Revolut didn't tell Mr R about the review – but they're not obliged to.

I've looked at the time Revolut took to review things. I understand the account was initially blocked around 16 March 2020, and it was completed by 15 May 2020. During this time, I've seen that Revolut asked Mr R questions about payments relating to Mr R's account and asked for documentation such as identity documents and tax statements. Because of that, I think they were being proactive in their review.

I've seen some screenshot conversations between Mr R and Revolut, and it's clear Mr R thinks the review took longer than it should. I recognise Mr R was left without access to his account and I appreciate how worrying this must have been for him – especially as he says he wasn't able to care for or feed his family during this time. However, based on the evidence I've seen, I'm satisfied Revolut took the appropriate action in the circumstances.

I've thought carefully about what Mr R has said in relation to not being able to feed his children. We'd usually expect a customer to have access to their benefit payments while a review is carried out. But I've seen a copy of Mr R's statements and I'm satisfied he didn't have any benefit payments in the account when it was blocked. Therefore, I can't fairly say Revolut should have acted differently. Mr R says his Revolut account was his main account so while it was blocked, his benefit payments couldn't be paid in. Mr R confirmed he opened another account in June 2020 to allow his benefit payments to be credited. I can't fairly hold Revolut responsible for the time it took Mr R to open another account and as I'm satisfied they weren't holding any of Mr R's benefit money, I can't fairly uphold Mr R's complaint on this point alone.

The closure and reasons

Banks sometimes choose to end their relationship with customers. This can be due to a number of reasons, and a bank isn't obliged to give a reason to the customer. Just the same as if Mr R decided to stop banking with Revolut, he wouldn't have to explain why. Revolut can only close accounts in certain circumstances and if it is in the terms and conditions of the account. Revolut have relied on the terms and conditions when closing Mr R's account.

This service won't generally intervene in a bank's commercial discretion. Revolut exercised their right to no longer offer Mr R banking facilities and I've seen nothing to suggest that Revolut has made an unfair decision. So, I can't fairly ask them to do anything differently.

The return of the funds

Revolut are entitled to return any remaining funds in an account to the original source. This ensures the funds are sent back to the correct person. That's especially relevant in Mr R's case as he couldn't provide Revolut with the documentation they asked for when reviewing his account.

I appreciate Mr R says he couldn't provide his tax statements because his accountant was in hospital. I'm sorry to hear this. However, I'm satisfied Revolut took the appropriate action based on the information they had.

Overall, I recognise how strongly Mr R feels about what's happened, and I don't doubt it was a difficult and worrying time. So, I realise Mr R will be disappointed by my decision. But overall, based on the evidence I've seen, I can't say Revolut have acted unreasonably. So, I'm not going to ask Revolut to do anything.

My final decision

For the reasons I've explained above, I don't uphold this complaint. Under the rules of the Financial Ombudsman Service, I'm required to ask Mr R to accept or

reject my decision before 29 December 2020.

Hayley West
Ombudsman